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Afghanistan	400 Dm.	Iraq	15,540	Norway	4,000 Nkr.
Algeria	17 F. S.	Jordan	1,320 Lari	Portugal	80 Esc.
Bahrain	10 D.	Jordan	400 Fr.	Qatar	4,500 Rials
Belgium	40 B.F.	Kenya	Shs. 1,620	Singapore	1,000 Dollars
Canada	10 Cdn.	Kuwait	500 Frs.	Turkey	1,000 Lira
Cuba	1,000 Cuban	Liberia	100,000	U.S.S.R.	100 Rubles
Egypt	2,000 D.E.	Libya	1,000 L.D.	U.S.S.R.	600 L.D.
Finland	1,000	Luxembourg	100,000	Venezuela	2,000 L.P.
France	5,500 F.	Morocco	100 Fr.	Yemen	1,000 D.
Germany	3,200 D.	Poland	250 D.	Zambia	1,000 Z.
Great Britain	45 P.	Portugal	5,500 D.	Zimbabwe	1,000 D.
Holland	250 F.	R.I.L.	100 D.		
Iraq	115 Dls.	Nigeria	170 K.	Yugoslavia	100 D.

ESTABLISHED 1887

Gdansk Police Stop March to Memorial Headed by Walesa

United Press International

GDANSK, Poland — Police used water cannon, clubs and tear gas on Sunday to disperse several thousand demonstrators headed by Lech Walesa, the leader of the banned Solidarity free trade union, who was trying to lay a wreath on a monument to victims of police clashes.

Armed riot police chased protesters and shoved several into police vans. Among them was a senior Solidarity official, Andrzej Gwiazda, his wife said.

An officer pushed Mr. Walesa but did not strike him. Mr. Walesa was carrying a floral wreath in tribute to Poles who have died in clashes with police since 1956, and threw it at the policeman's feet.

The officers trampled and kicked the wreath, which Mr. Walesa had intended to lay at the monument to the more than 50 victims of the 1970 Baltic coast clashes with police.

Police used tear gas and clubs to disperse thousands of people trying to break police lines to march to the monument after Mass at St. Bridget Church, about 400 yards (365 meters) away.

Police then sprayed a group of onlookers from a water cannon.

The crowd chanted "Gestapo, Gestapo, killers, killers" and "There is no freedom without Solidarity."

At the Mass, a radical priest, the Reverend Henryk Jankowski, told the congregation that they should forgive the killers of another priest, Jerzy Popieluszko, even though the crime was conceived "in the lowest circles of Hell."

Father Popieluszko was kidnapped while driving to Warsaw on Oct. 19. His body was found in a reservoir near the northern city of Torun on Oct. 30.

Meanwhile, the official Polish news agency reported on Sunday that about 400 students and two priests who have occupied a vocational school since Dec. 3 to protest the removal of crucifixes from the classroom had abandoned their sit-in.

PAP said the students left the school in Wloszczowa, 150 miles (240 kilometers) south of Warsaw, after a visit from the Reverend Mieczyslaw Jaworski, the auxiliary bishop of nearby Kielce. There was

no independent confirmation of the report.

■ IMF Decision Welcomed

Earlier, Michael T. Kaufman of The New York Times reported from Warsaw:

Although the Polish government has withheld official comment on the U.S. decision to drop its objections to Warsaw's membership in the International Monetary Fund, reports of the move appeared to be welcomed by Polish officials.

The decision was reported in both Washington and Warsaw on Friday. A Westerner who was at the Ministry of Finance on Friday shortly after Foreign Ministry officials were told that Washington would no longer bar Poland's request to rejoin the IMF said that Finance Minister Stanislaw Niczek was beaming and telling aides and visitors in the vestibule: "Did you hear? We are getting in to the IMF."

Poland, with an estimated foreign debt burden of \$35 billion, the lowest per-capita export earnings in Europe, and deteriorating industrial plants, is in dire need of new credits and investments.

The ban to IMF entry was one of the last major sanctions and probably the most painful of the measures the Reagan administration took to punish the government of General Wojciech Jaruzelski for the imposition of martial law on Dec. 13, 1981. The United States apparently lifted the ban in response to the freeing of political prisoners.

The lifting of the ban followed the release on Dec. 8 of Bogdan Lis and Piotr Mierzejewski, activists in the Solidarity underground and two well-known political prisoners.

■ Belgrade Accepts Monitoring

Yugoslavia's finance minister, Vlado Klemencic, was quoted Saturday as saying that Belgrade would accept closer monitoring of its economy by the IMF in return for a debt relief package with its creditors, Reuters reported from Belgrade.

In comments reported in the influential daily newspaper Politika, Mr. Klemencic confirmed that talks were under way on terms for a new standby credit arrangement to replace one that lapses in April.

Missions by U.S. Unit In Nicaragua Reported

Compiled by Our Staff From Dispatches

DETROIT — A U.S. Army helicopter unit has flown missions into Nicaragua and other hostile Central American zones, despite U.S. laws forbidding such military activity, the Detroit Free Press reported Sunday. The Pentagon called the report false.

The missions by the 160th Task Force of the 101st Airborne Division, stationed at Fort Campbell, Kentucky, took place during 1982 and 1983 during U.S. military maneuvers in Central America, the newspaper reported in Sunday editions.

A Pentagon spokesman, Lieutenant Colonel Bob Shields, said Sunday, "No U.S. military forces have participated in any military operations against the Sandinista government. Therefore, the allegations are totally false."

The Free Press interviewed widows, parents and friends of 16 members of the task force killed in aircraft accidents in 1983. Relatives also discussed a 17th member killed by small-arms fire in the U.S.-led invasion of Grenada in October 1983.

The 17 fatalities do not appear linked to clandestine missions in Central America, the newspaper said in its report from the Washington bureau of Knight-Ridder newspapers.

Warrant Officer Donald Alvey, 26, a unit member, was killed March 10, 1983, when, according to

an official army report, a CH-47 Chinook helicopter crashed off the Virginia coast, the Free Press said.

"Don flew a bunch of missions into Nicaragua," his father, William Alvey, of Morganfield, Kentucky, was quoted as saying. "He'd go somewhere and pick up a group of people in a clearing in the jungle — and take them to another clearing in the jungle."

Several U.S. laws, including the War Powers Act, make it illegal in most cases for the U.S. military to enter combat in Central America without congressional approval.

Members of the unit, believed to number between 400 and 800 soldiers, were told that the U.S. government would disavow them if captured or killed, relatives of members told the newspaper.

Relatives told the Free Press that members of the unit wore civilian clothes and flew at night and that if their helicopters became disabled they were to destroy them and try to leave the country in which they had landed.

Some relatives told the Free Press members that the army would not list the real reason for any deaths in connection with the missions.

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BUSINESS/FINANCE

■ BAT Industries PLC plans to buy another British insurer, further reducing its reliance on cigarette sales. Page 7

SPORTS

■ Wilander and Sundstrom beat Connors and McNamee, respectively, giving Sweden a 2-0 lead in the Davis Cup finals. Page 15

TOMORROW

The U.S. Army is finishing its best recruiting year in the decade since the draft ended. First of a four-part series. Page 3.



Prime Minister Margaret Thatcher, right, asked Mikhail Gorbachev, reputedly the No. 2 member of the Soviet

Politburo, and his wife, Raisa, to change places for photogra-

phers Sunday when they held talks near London.

Iraq Jets Fire Part of Toxic Gas Neutralized in India

Bhopal Deserted as Union Carbide Plant Cleanup Begins

By William Claiborne
Washington Post Service

BHOPAL, India — Apprehensive residents watched from a respectful distance as aircraft showered a protective curtain of water in the air Sunday as Indian engineers neutralized portions of the deadly methyl isocyanate gas at the Union Carbide Corp. chemical plant here.

Three metric tons (3.3 short tons) of the gas were neutralized and with 12 tons of gas remaining in an underground storage tank, authorities proclaimed the first day of the five-day "Operation Faith" a success.

The situation continues to be monitored, said Srinivasar Varadarajan, director-general of the Indian Council of Scientific and Industrial Research. The gas "is in suspension," he added. "So far, temperature and pressure have been maintained."

Two of the 27 crewmen were killed in the missile attack, a spokesman for the tanker mismanagers, the Bhammar shipping company, said in Athens.

He said that the remaining 25 crewmen were airlifted by Iranian Air Force helicopters and taken to the seaport of Bushire.

In Baghdad, a military spokesman said that Iraqi Air Force jet fighters attacked "two naval targets" south of Kharg. But marine shipping and salvage sources along the Gulf said they knew of only one vessel, the Ninemis, raided in the Gulf during the midmorning hours.

"It seems the Iraqis are under the impression they hit a new vessel, when in fact their warplanes have fired an Exocet into the same ship that they had raided yesterday," a salvage executive said.

Iraq and Iran have been locked in a four-year war, which has crept southward to oil tanker routes within and outside the war zone.

The attack on the Ninemis was an unusual Iraqi venture outside the war zone. Iraq had limited such raids to commercial shipping within the so-called "exclusion zone" around Kharg.

Iraq has been retaliating with similar raids against tankers and bulk carriers in neutral waters, well south of the war zone and close to Arab coastlines.

Shipping sources here said the Ninemis was under charter to Nisho Imai Corp., a Japanese trading house. They said it was en route to Kharg for a shipment of crude oil when attacked.

According to the Lloyds shipping intelligence unit in London, the Ninemis was the 60th victim of the tanker war.

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would not list the real reason for any deaths in connection with the missions.

Spanish Socialists Back Plan to Stay in NATO

By Edward Schumacher
New York Times Service

MADRID — Prime Minister Felipe Gonzalez has won approval from his governing Socialist Party to keep Spain in NATO.

Delegates to the party's national convention voted several times on Saturday, each time roughly by a 2-to-1 margin, against proposals for withdrawal from the North Atlantic Treaty Organization. The votes cleared a crucial hurdle in attempts within the government and NATO nations to keep Spain in the alliance and confirmed Mr. Gonzalez's party leadership.

The convention, approving a platform to guide the government for the next two years, also backed the government's policy of maintaining a confirmed but reduced U.S. military presence in Spain. The party's left wing had proposed closing American bases.

Mr. Gonzalez spoke twice during the debate.

"Our project is to participate in Western Europe, in its destiny and its future," Mr. Gonzalez said. "That requires a definition and that definition requires participation in European security."

Leaving NATO and dismantling the bases, he said, would amount to an irresponsible realism and unattainable pacifism.

"I am truly a pacifist," he said. But, he said, the experience of Western Europe had been that a security alliance is necessary.

The margin of victory did not reflect the bitterness and depth of the opposition to NATO among the Socialists, some of whom said they voted with the government under heavy pressure from Gonzalez loyalists. In a NATO vote by the party's foreign policy committee on Friday night, the government's position passed by a 60-56 margin.

Mr. Gonzalez has called a national referendum on the issue for early 1986. Polls have shown that slightly more than half of all Spaniards favor pulling out of the alliance.

The vote Friday night considerably strengthened the government's hand in the referendum. Gonzalez aides had feared that if he could not convince his party to stay in NATO, he would be unlikely to convince the country.

The Socialists have generally taken a neutralist line and were loud critics when the previous government enlisted Spain in NATO in 1982.

Mr. Gonzalez, who took office a

few months later, froze Spain's partly completed military integration into the alliance. In October, he reversed his position on NATO, saying that Spain, once in the alliance, would lose credibility by pulling out.

The Socialists hold a solid majority over the fragmented right wing in Parliament and in many ways the positions taken at the convention are tantamount to those of Parliament.

NATO was among the most prominent of several topics that were at issue in an unexpected flurry of party infighting at the convention, which drew 769 delegates. Nearly 2,000 amendments to the government's draft platform were presented, forcing the seven committees set up to review the platform to form negotiating groups and debate into the early morning on Saturday.

A move to form a party political consultative organ that would in effect monitor the government was narrowly defeated after Mr. Gonzalez and other senior officials complained that it would tie up policy-making and duplicate the party's executive committee, which Mr. Gonzalez heads.

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Prime Minister Felipe Gonzalez acknowledged applause from delegates over the weekend at the Spanish Socialist Party's first congress since it won power in October 1982.

Mitterrand Seeks Improved Ties With Soviet Union

By Joseph Fitchett
International Herald Tribune

PARIS — France has decided to improve its relations with the Soviet Union after several years of strain. President Francois Mitterrand said Sunday.

A warming in French-Soviet relations had been expected at a time when the United States and other allies are seeking to expand dialogue with the Soviet Union, and Western diplomats expect a major French initiative to improve security discussions and commercial ties.

Mr. Mitterrand, defending his foreign policy in a television appearance halfway through his second term, said that he has protected the security of France by maintaining the global balance of power. His willingness to talk to all governments, including radical nations such as Libya and Syria, continued France's role in fostering international dialogue, he said.

Mr. Mitterrand cited his contribution in restoring the East-West equilibrium during his first two years in office when he suspended

France Plans National 'Computer-Literacy' Drive

By Arnaud Kornel
International Herald Tribune

PARIS — Hoping to mobilize the public behind its economic modernization drive, the French government is drawing up a national computer-training program that envisages tens of thousands of computer workshops throughout the country.

Although a timetable and other details of the still-unannounced program are being debated, officials say that President François Mitterrand and Prime Minister Laurent Fabius are eager to see the start of the computer-literacy plan.

It would be the first in the world on a national scale and would involve around six billion francs, according to one estimate, to buy personal computers.

"The plan is very important," said a government official who has followed the project closely, "because it fits in with the will of the president to convert the French mentality" to technological development and "provide a complement to professional training."

If the final proposal wins Mr. Mitterrand's approval, the government intends to begin creating computer workshops in most of France's 36,500 villages, towns, and cities in 1985. The workshops would be located in schools and open to people of all ages.

"It's an ambitious, audacious plan, but I think it could work," said an American expert familiar with the project. "It could help France leapfrog over several stages in becoming a leader in technology."

Mr. Mitterrand ordered the French cabinet on Nov. 30 to prepare the project.

A task force of seven ministers,

led by Mr. Fabius, has been studying the issue and is expected to present its recommendation by the beginning of January.

Until then, officials emphasize, the future of the plan will remain uncertain.

"For the moment, it is a grand idea," said the government official, who asked that his name not be used. "But the idea must still be elaborated into a program and adopted, he added. "I think that there will be wide agreement to go quickly and develop rapidly."

Major industrialists are meeting to see if and how they can increase microcomputer manufacturing capacity to meet the demands of the project. Senior officials from Apple Computer Inc. visited France recently to examine what role their company might play.

The dimensions and ambitions of the tentative plan are unparalleled. Although the need for some kind of national computer-literacy policy has been debated in the United States, the Reagan administration has been reluctant to make federal initiatives in the matter.

"We haven't done that well in computer literacy," said John Crecine, senior vice president at Carnegie-Mellon University in Pittsburgh. "I can't see our political leaders having the kind of vision and the kind of courage that is required to carry this off."

Mr. Crecine was in Paris this month advising the French on the project. Carnegie-Mellon is a leading university in the educational use of computers and recently expanded its relationship with France. It heads a consortium of 17 U.S. universities that are jointly de-

veloping and sharing educational software.

Richard Cyert, president of Carnegie-Mellon, said that the program could "aid significantly" France's economic development because with a computer-literate labor force, the country would become more attractive to foreign companies. He termed the project "a fantastic experiment."

Prime Minister Shimon Peres of Israel, learning of the plan during an official visit to France this month, instructed Israeli officials to contact Carnegie-Mellon and to examine the feasibility of creating a similar project.

The project has stimulated intense debate among French government and industry officials. Mr. Fabius and Gaston Defferre, minister of state for planning, are trying to forge a consensus among the various ministries involved.

Gilbert Trigano, appointed on Dec. 7 as delegate to the prime minister in charge of new training policy, has been debating the project. Mr. Trigano is the founder and managing director of the Club Micro-management resort chain.

The government has started several projects involving information technology since 1981. The telecommunications authority is installing computer terminals free of charge in homes and businesses throughout the country to permit widespread access to electronic services over the telephone line.

The government plans to install optical glass-fiber cable to carry more sophisticated video-based services in the future. Factory automation is also high on the government's list of priorities.

But critics have warned that France's ambitious programs are doomed if they are not driven by a strong social consensus. The computer-literacy plan could help answer that concern, observers and officials say.

By blanketing the country with computer centers, the plan's proponents hope to allay people's fear of modern technology and familiarize them with the kind of tools that will soon be common in the workplace and home.

"France cannot modernize its industry if it doesn't start with the people," said Jean-Jacques Servan-Schreiber, president of the World Center for Computer Science and Human Resources in Paris. He said that the government's plan would seek to answer the question: "How do we integrate the population with this new literacy, the computer literacy?"

The government started a program in 1983 to install 100,000 micro-computers in primary and secondary schools by 1988. But that plan, which is limited to schoolchildren, is considered inadequate by many officials and teachers.

The computer-literacy program now under discussion would involve adults as well as children. The workshops would be located in schools and be opened to the public at the end of the school day. They would stay open in the evening and on weekends.

Teachers would be trained to serve as monitors. Support by the teachers' unions is considered vital to the success of the project. Officials say that the principal teachers' organizations are enthusiastic about the idea.

Large cities would have more than one center. Each center would be equipped with up to six micro-computers. All the centers would

be connected through France's growing videotex network, Télétel, so that people could send each other documents prepared on the microcomputers over the telephone lines.

France's production of microcomputers would have to be greatly increased to satisfy the demands of the project. About 80,000 professional microcomputers were installed in France in 1983. The computer-literacy workshops might require more than 200,000 machines.

Consultations between such French microcomputer makers as Bull, Matra, and Thomson are likely to lead to the creation of a joint venture, officials say. Téléc-Alca, a subsidiary of the CGE group, has also been involved in the discussions.

The industrial talks are sensitive. Many of the program's backers, both educators and government officials, favor using Apple's sophisticated Macintosh personal computer in the workshops.

Steve Jobs, Apple's founder, and John Sculley, the company's president and chief executive officer, came to Paris early in December to seek a licensing or joint-venture agreement with French manufacturers. The outcome of those discussions is not yet known.

The choice of machines and software with which the centers are equipped could be crucial to the project's success. The computers must be powerful and easy to use, officials say, so that the public is not alienated by the technology.

"The way you introduce novices to computer technology is very important," said Mr. Crecine. "I think that the project runs the risk of total disaster if the right technology isn't used."

Witnesses at his funeral said Mr. Shcholokov was buried Saturday in a hasty ceremony, prompting speculation that he committed suicide.

The death of the former minister, 73, an associate of President Leonid I. Brezhnev before his death, has not been officially announced by Soviet news organizations.

Witnesses at the graveside in Moscow's Vagankovskoye cemetery said a coffin was buried in a quick ceremony sparsely attended but with a substantial presence of police and plainclothes security men. A simple metal plaque on the grave gave the dead man's name and put the date of death as Dec. 13.

According to Russian tradition, coffins are usually carried open to the graveside. Mr. Shcholokov was closed, lending weight to rumors he had taken his own life.

Mr. Shcholokov was officially stripped of his rank of general last month. He was dismissed by Mr. Brezhnev's successor, Yuri V. Andropov, a month after Mr. Brezhnev's death November 1982.

Soviet sources said he had abused his position to shield important figures involved in a scandal that Mr. Andropov had been investigating in his previous post as head of the KGB security police.

When Mr. Andropov took over as party leader he appointed one of his former aides, Vitali V. Fedoruk, to succeed Mr. Shcholokov.

Mr. Shcholokov's entire career, from lowly beginnings in the Ukrainian city of Dnepropetrovsk, was linked to Mr. Brezhnev, who took him from a relatively obscure position in the Soviet republic of Moldavia to make him interior minister in 1965.

It was Mr. Brezhnev's daughter, Galina, who was at the center of a corruption scandal that Mr. Shcholokov tried to conceal when Mr. Andropov's men began to close in on her associates, Soviet sources said.

European Launch Planned

A European Space Agency spokesman said 10 European countries would build a space vehicle designed to carry out long-range orbital missions and contact a Soviet space shuttle for a return trip to Earth. Agence France-Presse reported from Paris.

The vehicle, weighing three tons and measuring four meters in length (13 feet), would be put into orbit by a space shuttle and would be able to change altitude and make contact with another object in space, the spokesman said.

The first mission, to last six months, would begin early in 1988, the spokesman said. The expenditure would cost about \$150 million, he said.

Recent press attacks on the former minister and the announcement that he had been stripped of his rank indicated that a trial could be imminent.

Some Soviet sources said that Mr. Andropov's insistence that officials at the top of a department should bear severe punishment for any failings could have resulted in a death sentence for Mr. Shcholokov.

The head of Moscow's most prestigious foodstore, Yuri K. Sokolov, also a Brezhnev protégé, was tried on charges of corruption and bribery and executed earlier this year.



Nikolai A. Shcholokov

WORLD BRIEFS

Castro Praises Agreement With U.S.

MEXICO CITY (AP) — President Fidel Castro of Cuba has said the agreement reached with the United States for the return of Cuba of 2,746 "boat people" was "positive and constructive."

He also denied in a radio and television speech Friday night, that was monitored in Mexico City, that those who will return were criminals or mentally ill when they left Cuba in 1980. He said the idea that the refugees included criminals and mentally ill people was a "legend" created by the international news media.

Under an agreement between the two countries announced Friday, Cuba will take back those refugees who the United States claims were released from prisons and mental institutions to join the exodus of 129,000 Cubans from the port of Mariel in the spring of 1980. In return, the United States will allow up to 3,000 former political prisoners and 20,000 other Cubans to apply for U.S. visas annually.

UN Extends Mandate of Cyprus Force

UNITED NATIONS, New York (NYT) — The Security Council has extended the mandate of the United Nations Peacekeeping Force in Cyprus for six months against a backdrop of apparently successful negotiations between Greek Cypriot and Turkish Cypriot leaders.

The new mandate was approved Saturday for 20 years to keep the island's Greek and Turkish communities from fighting. It will now expire on June 15. The troops are along a 113-mile (180-kilometer) border that cuts Cyprus in half.

In seeking the extension, Secretary-General Javier Pérez de Cuellar said that the Greek Cypriot president, Spyros Kyprianou, and the leader of the Turkish Cypriots, Rauf Denktash, meeting separately with him had made enough progress for him to schedule face-to-face talks in New York on Jan. 17, presumably to work out the details of an agreement on broad issues. This accord is believed to include the withdrawal of the 25,000-member Turkish military force that arrived in 1974 after a Greek Cypriot coup, the resettlement of refugees, the reopening of Nicosia Airport, border adjustments and UN administration of disputed areas.

EC Talks on Spain, Portugal Resume

BRUSSELS (Reuters) — Negotiations on Spain and Portugal's membership in the European Community will resume Monday.

Diplomats said that major obstacles to the talks were removed at an EC meeting in Dublin earlier this month and that community foreign ministers, meeting Monday, were likely to resolve questions on wine and fish markets, issues that have delayed the entry negotiations. The diplomats said Greece would probably lift its reservations on terms of entry for Iberian wine growers and fishermen.

Afghan Rights Violations Alleged

NEW YORK (Reuters) — Soviet troops and the Afghan Army are subjecting Afghan citizens to arbitrary arrest, torture, imprisonment and execution, a human rights group said in a report issued Sunday.

The Helsinki Watch Committee, a private American organization that monitors the 1975 East-West Helsinki accords, said: "Soviet officers are not just serving as advisers to Afghan agents who administer torture — routinely and savagely — to them are Soviets who participate directly in interrogation and torture."

After interviewing refugees in the Pakistani border town of Peshawar, investigators for the organization said they found that "just about every conceivable human rights violation is occurring in Afghanistan and on an enormous scale."

The report said "crimes of indiscriminate warfare" were combined with the "worst excesses of unbridled state-sanctioned violence against civilians." It also said that "arbitrary arrest, torture, imprisonment and execution" were being carried out in the cities.

Mintoff Making First Visit to Moscow

VALLETTA, Malta (Reuters) — Prime Minister Dom Mintoff of Malta was due to leave for Moscow Monday to set the seal on a new found friendship between the Mediterranean island and the Soviet Union.

Visiting the Soviet Union for the first time in his 13 years as prime minister, Mr. Mintoff is scheduled to meet President Kostantin U. Chernenko and is expected to return with a friendship and cooperation treaty, shipbuilding orders for Malta's ailing dockyard and other orders for Maltese industries.

In 1981, Malta and the Soviet Union signed an agreement on the neutrality of the island. Malta surprised the North Atlantic Treaty Organization the same year when it granted the Soviet Union facilities to store up to 200,000 metric tons of bunker fuel tanks on the island for its merchant ships. Warships are barred from entering Malta in accordance with its declaration of neutrality and nonalignment.

Turkeys Contaminated in U.K. Protest

GRIMSBY, England (AP) — Police charged four persons on Sunday with poisoning supermarket turkeys with mercury to protest the annual breeding of millions of the birds for the Christmas table.

Contaminated birds were found Friday and Saturday in two supermarkets in this east England port after anonymous telephone calls from campaigners belonging to the Animal Liberation Front.

Israeli Cabinet Trying to Avert Crisis

TEL AVIV (AP) — Israel's Likud and Labor parties were trying Sunday to prevent a dispute between two small religious groups from developing into a government coalition crisis, cabinet officials said.

The dispute between the National Religious Party and the ultra-orthodox Shas movement over control of key state religious functions led to the resignation Sunday of Yitzhak Peretz, the Shas leader, as minister without portfolio. Likud, which considers Shas one of its main allies in the nine-party coalition, issued a thinly veiled threat that it would leave the government unless a solution was found in the 48 hours before Mr. Peretz's resignation took effect.

A senior cabinet official, who belongs to the Labor Party, said Labor and Likud ministers were mediating with the two groups to avert a crisis.

Workers Stage Protest in Portugal

LISBON (AP) — Tens of thousands of protesters marched through the center of Lisbon on Saturday calling for the resignation of the Socialist coalition headed by Prime Minister Mario Soares.

The march was one of the biggest anti-government protests since Mr. Soares' coalition of Socialists and Social Democrats came to power 18 months ago. It was organized by the CGTP-Intersindical, the trade union federation that controls close to 80 percent of Portugal's organized industrial labor.

The protesters claim the government has forced workers to bear the brunt of an austerity program agreed upon with the International Monetary Fund aimed at easing Portugal's heavy foreign debt. The unions say workers are owed more than \$58 million in unpaid salaries.

For the Record

A tentative agreement was reached Sunday between the Chicago Board of Education and 40,000 employees who have been on strike for two weeks. The employees were to vote late Sunday on the agreement, which calls for a 4.5 percent pay raise and a 2.5 percent bonus.

Richard McIntyre, a Republican, was declared the winner Friday of the 8th Congressional District race in Indiana over Representative Frank McCloskey, a Democrat. Despite the certification by Indiana Secretary of State Edward J. Simcox, a Republican, the winning margin of 34 votes out of nearly 233,000 cast in the Nov. 6 election could change because of continuing recounts in 14 districts.

The USS Scorpion, a submarine that sank in 1968 with all 99 members of its crew, probably was disabled by an accidental torpedo explosion, according to investigators and recently declassified documents.

Prime Minister Margaret Thatcher of Britain is scheduled to leave London on Monday to sign a treaty pledging to hand over control of Hong Kong to China in 1997.

Stephen Naidoo, an Indian, on Sunday became the second nonwhite Roman Catholic archbishop of Cape Town.

President Mohammed Hussain Ershad of Bangladesh announced plans Saturday to reschedule parliamentary elections for April as part of an offer to appease the opposition, resolve a political stalemate and end martial law. It was Lieutenant General Ershad's third rescheduling of the elections since he took power in March 1982.

Chile deported the wrong correspondent for what it called an erroneous story. Interior Minister Sergio Onofre Jarpa Reyes has acknowledged. Mr. Jarpa said that United Press International "had demonstrated that the one responsible" for the objectionable story "was another journalist who left Chile" and had allowed Anthony Boadle to return.

A man shot to death in Rome on Friday has been identified as Imad Darwish, 32, a Palestine Liberation Organization member, and PLO officials said Saturday. No arrests have been made.



Residents bathed with water from a tanker before leaving the city of Bhopal, India, where scientists began neutralizing 15 tons of poisonous gas Sunday at the Union Carbide plant.

Jordan Briefs U.S. Envoy On Call for Peace Talks

Reuters

AMMAN, Jordan — Jordan's foreign minister, in a meeting Sunday with the Middle East envoy, Richard W. Murphy, said a UN-sponsored peace conference was the only way to find a solution to the Palestinian issue acceptable to the international community.

The official Jordanian agency, PETRA, said Foreign Minister Taha al-Masri met with Mr. Murphy, the assistant secretary of state for Near Eastern and South Asian affairs, before the U.S. envoy's talks with King Hussein.

The agency did not report a response from Mr. Murphy, who said Saturday in Cairo that Washington wanted peace in the Middle East but believed an international

AMERICAN TOPICS

Christmas Toys: Back to Basics

Shoppers for Christmas toys in the United States are turning away from video games in favor of traditional toys, merchants and industry analysts say.

Cabbage Patch dolls and their accessories are far and away the best sellers this Yule season. Barbie, a girl's favorite for a generation, still rates high. So does a Michael Jackson doll.

Male action figures, like Masters of the Universe and GI Joe, are favorites for boys. Robotronic toy robots that turn into airplanes or spaceships also are doing well.

Denver Drivers Won't Give It Up

Despite an intensive drive to persuade residents of smoggy Denver to leave their cars at home one weekday a week, the exact day determined by the last digit on their license plates, only about one out of a hundred motorists has heeded the plea.

Meanwhile, on a typical day, the bright blue mountain skies are blotted out by a brown cloud, 90 percent of which is formed by automobile exhaust, officials say.

If Denver has not reduced pollution levels to federal limits by 1987, the entire state of Colorado could lose millions of dollars in federal highway and sewer construction grants.

Short Takes

Four Louisiana men pleaded guilty last week to swindling \$23,000 in prize money from seven Texas bass fishing contests. Fish large enough to win big prizes were smuggled live from Florida in aerated tanks and concealed in bait wells of fishing boats during the contests. The conspiracy charge is a felony carrying a maximum penalty of five years in prison and a \$10,000 fine.

New York has designated the porticoed Tweed Courthouse behind City Hall as a city landmark. The courthouse is a symbol of the corrupt Tammany Hall administration of William Marcy (Boss) Tweed a century ago. The building was supposed to have cost \$250,000 but by the time it was finished in the 1870s the total expenditure topped \$8 million. Much of this was presumed to have found its way into the Boss's pockets. The estimated cost of repairing the decrepit building is \$36 million.

Notes About People

Ronald Reagan's administration has cut back on spending for research on organic farming, the use of nonchemical techniques for raising crops and livestock. But President Reagan himself, it turns out, follows organic precepts on his California ranch. Mr. Reagan's butcher, Bruce Oxford of Thousand Oaks, California, says the president raises his cattle without antibiotics.

Without fanfare, Secretary of State George P. Shultz has asked an old friend, Walter B. Wriston, former chairman of Citicorp, to serve as an unpaid consultant on long-term telecommunications policies, particularly those concerning the flow of information overseas, an area of particular importance to the State Department.

Howard Baker: The Wages of Access

Howard H. Baker Jr.'s income will increase at least tenfold next month, when he stops being Senate majority leader and returns to law practice. Compared with his Senate salary of \$32,100, Mr. Baker expects to draw \$700,000 to \$800,000 a year as head of the Washington office of Vinson & Elkins, a big firm based in Houston, lawyers familiar with the arrangement say.

Mr. Baker, 59, will earn a substantial additional sum working part-time with his old Tennessee law firm and serving on corporate boards. He also



Howard H. Baker Jr.

will keep a hand in politics, positioning himself to run for president in 1988.

What makes any lawyer worth that much money? A number of knowledgeable attorneys told The New York Times that Mr. Baker has a singular blend of clout, connections, political acumen, legal judgment and class that would have corporate clients lining up at the door in hopes of "access."

"Access" is Washington lawyer talk for the ability to get a sympathetic hearing, if not a favorable result, from policymakers in Congress and the administration. Lawyers are careful to distinguish it from "influence-peddling," which smacks of distorting governmental processes to get more for a client than the merits of his case warrant.

Mr. Baker says that he does not intend to be a fixer or string-puller. He will not have to. When his partners make their rounds, their powers of persuasion will be enhanced by association with a Republican powerhouse who could possibly be the next president.

—Compiled by ARTHUR HIGBEE

Leading Republicans Press Reagan for Cuts In Defense Spending

By David Hoffman and Lou Cannon
Washington Post Service

WASHINGTON — Members of Congress say they doubt legislators will accept White House recommendations to sharply cut domestic spending unless there are reductions in the military buildup.

Some supporters of President Ronald Reagan expressed the fear that the budget dispute would undermine the president's goal of avoiding a tax increase.

If Mr. Reagan "doesn't really cut defense, he becomes the No. 1 special pleader in town," said Representative Dick Cheney of Wyoming, chairman of the House Republican Policy Committee.

"The numbers from defense are not enough, they're not going to do a job from the budget standpoint," said Representative Trent Lott of Mississippi, the House Republican whip, who calls himself "a defense person" and has consistently supported military spending.

Their comments are echoed by others on Capitol Hill and in high levels of the administration who point out the consensus that backed Mr. Reagan's ambitious five-year military buildup in 1981 has shifted fundamentally in favor of a significant slowdown in defense spending.

Mr. Reagan, however, seemed last week to be moving toward a Pentagon budget request that would keep the military buildup expanding at nearly the pace of his first term.

Late last week, Mr. Reagan rejected a proposal from most of his budget advisers, crafted by David A. Stockman, director of the Office of Management and Budget, for a major scaling back of the defense buildup. The president is expected to announce this week that he has approved small trims from the defense budget next year, as suggested by the defense secretary, Caspar W. Weinberger.

But Mr. Stockman wanted to cut \$121 billion from requested Pentagon spending authority over three years. Mr. Weinberger has offered to cut \$19 billion. Mr. Weinberger told White House officials Wednesday that he wanted a budget next year of \$316.8 billion, compared with \$284.5 billion this year, the officials said.

Every time the defense spending battle has been fought in his presidency, Mr. Reagan has sided with Mr. Weinberger.

The secretary's determined resistance to any slowdown in the military expansion appears to be motivated by his convictions that more spending is necessary and by a perception that he is pursuing a course Mr. Reagan wants.

Congressional sources said Mr. Weinberger's key argument to the president was not that defense spending was inviolate. Rather, he appealed to Mr. Reagan's instincts as a negotiator and argued that Congress would slash any budget request, even if it were reasonable at the outset. Mr. Reagan made the same argument Dec. 6 in an interview with the conservative weekly, Human Events.

Republicans who helped Mr. Reagan begin the defense buildup in 1981 say that support for such increases has dwindled because

deficits have ballooned and many other popular programs are on the chopping block.

These Republicans say the consensus is not to actually cut back defense spending, but to hold the rate of the buildup to 3 or 4 percent annually after inflation, much slower than in Mr. Reagan's first term. The Defense Department won an average of 9 percent annually.

"I've voted for everything they've asked for, and voted for every single cut," Mr. Cheney said. "Now the severity of the deficit is great enough that the president is reaching out and taking a whack at everything to be credible."

He said: "A package that lets defense run free won't fly. Republicans won't vote for it. Nobody would take such a budget seriously. If you put defense off limits with Social Security and no tax increase, the judgment you've made is that you don't care about the deficit."

"I don't see how you can do that," Mr. Cheney said. "If you're going to rule out Social Security cuts and a tax increase, then you've got to hit defense."

Mr. Cheney said: "The discoveries were described as 'by far the oldest brains ever found from which we have been able to extract DNA and analyze it,' said Dr. Glen H. Doran, assistant professor of anthropology at Florida State University in Tallahassee, Florida. The findings have revived hopes that far older specimens exist and may yield clues to the evolution of life's chemistry over millions of years.



A 7,000-year-old skull found last week in Florida. A scan showed its brain largely intact. (The Associated Press)

Ancient Human Brains Found in Florida

New York Times Service

NEW YORK — Archaeologists in Florida have found two human skulls, estimated to be 7,000 years old, containing brains that were largely intact.

The brains were discovered Tuesday and Wednesday buried in peat at the bottom of a lake. A chemical analysis is reported to have shown that the tissue retains much of its original DNA, the threadlike molecules that contain the information

controlling cell construction, function and heredity.

The discoveries were described as "by far the oldest brains ever found from which we have been able to extract DNA and analyze it," said Dr. Glen H. Doran, assistant professor of anthropology at Florida State University in Tallahassee, Florida.

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More Trouble in U.S. Control Towers Air Controllers Think They're Overworked, Study Finds

By Douglas B. Feaver
Washington Post Service

WASHINGTON — Federal Aviation Administration air traffic controllers hired to succeed those dismissed by President Ronald Reagan in 1981 think that they are overworked and feel at times that air traffic is "exceeding the capacity of the human-technical system," an FAA task force has reported.

The task force said insensitive FAA management and the stress of heavy traffic have increased the controllers' "burnout" rate and resulted in overall working conditions "as bad, or perhaps a bit worse" than those that existed in 1981 when the 11,400 controllers went on strike.

But his interview with Human Events, he said:

"We're not going to make any cuts in defense spending that are going to drive us backward with regard to what we're trying to do in overcoming the years of neglect in guaranteeing our security."

The task force based its conclusions on interviews last summer with controllers, supervisors and managers at 14 of the busiest air traffic facilities during the peak of highly publicized flight delays. The Washington Post obtained a copy of the report.

Almost immediately after he became the FAA's administrator in April, Donald D. Engen hired the task force that performed a similar study after the 1981 strike.

Controller morale problems have continued, the report said, despite management's emphasis on improved human relations and the establishment of human relations committees at air traffic facilities.

With some exceptions, the report said, the human relations problem is "viewed as inconsequential, as largely slogan and superficial window dressing."

Those who did were mostly older controllers and supervisors, a majority of whom favored rehiring "as an immediate source of badly needed skills," the report said.

Rehiring former controllers is not as potent an issue among controllers who remained as the FAA has suggested. Few controllers mentioned the subject during the interviews, the report said.

Those who did were mostly older controllers and supervisors, a majority of whom favored rehiring "as an immediate source of badly needed skills," the report said.

The drowsiness is considered a result of the physical and emotional fatigue of a major setback, as well as a temporary swelling in his brain from the stroke.

New Heart Likely Cause Of Stroke, Surgeon Says

By Cristine Russell
Washington Post Service

LOUISVILLE, Kentucky — Dr. William C. DeVries says there was a "95 percent chance" that the mechanical heart he implanted in William J. Schroeder almost three weeks ago was responsible for the stroke that Mr. Schroeder suffered Thursday.

Dr. DeVries said Mr. Schroeder, the second person to receive an artificial heart implant, was "quite stable and doing very, very well" Saturday but cautioned that his recovery in the days to come would be "like being on a roller coaster," with "some times that are very good and some times that are very bad."

Dr. DeVries said Mr. Schroeder's stroke was probably caused by a small blood clot traveling to the brain from the mechanical device, or by the altered blood flow it produced in the remaining portion of his natural heart.

Based on animal work and experience with the mechanical-heart valves in other patients, Dr. DeVries said, a stroke was a "known complication" but one that appeared to be rare. He emphasized that Mr. Schroeder and his family were told of the possibility of stroke before the Nov. 25 operation.

Because the mechanical heart is made of metal and plastic, there is a greater chance of blood accumulating on the heart's surfaces and causing clots, although the device was designed to minimize this possibility, Dr. DeVries said. In addition, Mr. Schroeder has been kept on an anti-coagulant, or blood-thinning drug, to reduce the chance of clots.

Dr. DeVries said the stroke is something that he will worry about as long as Mr. Schroeder is alive.

"This is a complication of the artificial heart," he said. "I would say it was probably about a 95 percent chance that it came from the actual device, the valves, or the natural atria which are behind the heart." The atria are the upper chambers of Mr. Schroeder's natural heart that were attached surgically to the larger lower chambers of the mechanical heart.

Dr. DeVries said that Mr. Schroeder, like many stroke patients, has fluctuated between long periods of sleep and drowsiness and shorter periods of alertness in which he watched television and talked slowly but with a slurred voice. He also was moving his arms and legs on his stroke-weakened right side.

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Jan Peerce, Opera Tenor, Dies at 80

United Press International
NEW ROCHELLE, New York — Jan Peerce, 80, the opera tenor whose career over a half century also included the popular hit "The Bluebird of Happiness," died Saturday.

His wife, Alice, said Sunday that he never came out of a coma she had slipped into two years ago after suffering a stroke.

Mr. Peerce had performed in opera halls in the United States, Europe and the Soviet Union during his career. He was perhaps best known as a star of the Metropolitan Opera in New York where he sang the leading roles in "La Traviata," "Rigoletto," "La Bohème," and many other operas.

Unlike some operatic stars, Mr. Peerce did not look down on popular music. For six months he sang the role of Tevye on Broadway in "Fiddler on the Roof." His recording of "The Bluebird of Happiness" became a best seller as a single. He was involved in the recording of more than 40 long-play albums, as a solo artist and in operas.

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He became the first American singer to perform at the Bolshoi Opera in Moscow after World War II. At the age of 75 in 1979, Mr. Peerce was still singing 50 concerts a year.

J. Roderick MacArthur, 63, U.S. Philanthropist, Dies

NEW YORK (NYT) — J. Roderick MacArthur, 63, a Chicago businessman and philanthropist who sought to encourage the spark of genius through no strings cash awards to "exceptionally gifted individuals," died Saturday at Northwestern Memorial Hospital in Chicago. Mr. MacArthur suffered from cancer of the pancreas.

The funds for the "Prize Fellows

Program" came from his father, who amassed a fortune from insurance and real estate and left the money to the John D. and Catherine T. MacArthur Foundation.

The younger MacArthur, as a foundation director, was the prime force behind the innovative program frequently called the "search for geniuses," because anonymous scouts around the country nomi-



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INTERNATIONAL HERALD TRIBUNE

Published With The New York Times and The Washington Post

The Chinese Correction

The newspaper of China's Communist Party has apologized for one of the printing errors of the century. A major editorial was wrong, the People's Daily said, to state that "one cannot expect the works of Marx and Lenin ... to solve today's problems." It should have said "to solve all of today's problems."

Well, OK. So Marx and Lenin are only partly washed up in Beijing. But the history of China turns not on a correction of language but on the correction of course implicit in either statement. China has found the "science" of Marxism-Leninism too stale to guide a modern state. What the Russians cling to as history's ultimate revolution is, in Chinese eyes, itself ripe for revolutionary challenge.

That does not yet constitute a new ideology. The Chinese have yet to decide which of the works Marx and Lenin are to be replaced, and by what. China's leaders seem content to suspend belief while they try almost anything that works to modernize their economy. In the words of Deng Xiaoping, they are "perfecting communism through capitalism." Who cares what color the cat so long as it catches mice?

The Chinese are ditching the old theories because nothing in Marx, Lenin, Stalin or Mao could teach them how to make 800 million peasants grow enough to feed themselves. That left an intolerable burden also for 100 million to 200 million city residents. For Mao's successors it looked like a choice between permanent backwardness and abandoning communism. They prefer a nameless newism.

Five years ago they decreed a profit system

for the countryside. They virtually abolished collective farming and liberated every peasant family to grow and sell at will, with only a modest quota going to the state. The resulting harvests have been the best in memory. Real farm income has increased at least 30 percent.

Opponents of the policy find it hard to argue with success. Backed by the hugely enriched rural constituency, Mr. Deng has now ordered the gradual deregulation of many industries and urban services to let the profit motive re-allocate labor and resources to most efficient enterprises.

The risks are enormous. Inflation and unemployment are the immediate dangers. The loss of significant state control over major industries is another possibility. And if this economic revolution is allowed to run its course, it is bound to produce a comparable upheaval of the political system.

It has been fear of such upheaval and, indeed, of the disintegration of the Communist hierarchy that has prevented the Soviet leaders from attempting anything similar. They, too, understand the economic value of the profit system. But they fear that abandoning Marxism-Leninism would destroy the only rationale for Communist Party rule. Why are the Chinese so much bolder? Perhaps in Deng Xiaoping they have produced yet another visionary leader. Or perhaps they think they are throwing off just one more alien yoke. They seem to know what they want to do, even if they are having trouble explaining it.

—THE NEW YORK TIMES.

Iran and the Hijackers

On the available evidence, the verdict of "not proven" still applies to the Reagan administration's dark suspicions about what happened at Tehran's airport in recent days. But the worst doubt will be confirmed if Iran refuses to extradite or punish the four hijackers who killed two Americans aboard a Kuwaiti airliner. Iran's weird hint that it wants to swap the captives for Iranian exiles is of a piece with Prime Minister Mir Hussein Mousavi's arrogant declaration that "Iran explains nothing to anyone but God." If he will not see to the punishment of murderous hijackers, the appropriate response is to organize an international boycott of Iranian aviation.

The monitoring of radio communications by U.S. intelligence has yielded no hard evidence of Iranian collusion in planning the hijacking. In diverting the Karachi-bound plane to Tehran the hijackers may have merely assumed Iran's sympathy because they were demanding freedom for pro-Iranian terrorists imprisoned for embassy bombings in Kuwait. There is no evidence that they were beckoned to Tehran.

But once they reached Iran, the government's conduct became suspect. Kuwait refused to release its prisoners and Iran came under international pressure to storm the plane. It held back for six days while the hijackers murdered and tortured passengers. Why the delay? When the hijackers virtually begged to be attacked by threatening to blow up the aircraft, why did they trustingly allow a

—THE NEW YORK TIMES.

Let Pretoria Take Note

It is good to have President P.W. Botha joining the current discussion in America about change in South Africa. He is a necessary interlocutor. Not only does he speak for his country's entrenched white minority, he also rules through the forcibly imposed apartheid system, the voiceless black majority.

Precisely in the tension between those roles, Mr. Botha's leadership now faces its hardest test. Politically he has a dilemma.

To satisfy his white constituency he must uphold white interests as they are variously perceived; this includes maintaining the image of total Afrikaner, or at least white, control of white destiny, although whites long ago lost that control. Hence his pouting and unpersuasive rejection of the suggestion by President Reagan that it was American "quiet diplomacy" that led Pretoria to release some detainees.

At the same time, to keep the connection with Washington that spares Pretoria unbearable loneliness in the world, President Botha must show a certain progress in dealings with South Africa's blacks. From his point of view, the effect of the demonstrations that began last month in Washington can only have been to raise his domestic costs of propitiating Ronald Reagan, since, notwithstanding his own protestations, Mr. Reagan is being forced by the demonstrations to demand more of Mr. Botha than he has in the past four years.

Just how much more, and in what forms, will be determined in the months to come.

—THE WASHINGTON POST.

FROM OUR DEC. 17 PAGES, 75 AND 50 YEARS AGO

1909: Higher Yields, Higher Prices
NEW YORK — The press discusses the higher cost of living and the staggering meat and crop report. The Philadelphia Inquirer says: "The fact is that the cost of living is increasing because of the larger number of persons to be fed. The business man makes good by increasing the prices of commodities, but the man on a salary is confronted with problems in domestic economy which keep him awake nights. The moral is for the young men to become farmers." The New York Tribune says: "Not the least welcome feature of the report of the Secretary of Agriculture, with its unprecedented showing of agricultural productiveness and profit, is the expression of opinion that the soils of the country are not wearing out, but that the yield of the acre is increasing."

1934: U.S. Military Growth Is Urged
WASHINGTON — A three-year air-building program to provide 600 additional machines, an increase in the military strength of the United States and centralization of all subdivisions of the War Department is among the recommendations made to the President in the annual report of Secretary of War George Dern, which was issued on Dec. 16. Secretary Dern declared that the present army of 12,000 officers and 117,000 men should be increased to at least 14,000 officers and 165,000 men in order to perform its duties efficiently. The air force, he said still needs a large number of planes, and he recommended that the service acquire 600 new machines within the next three years to bring its strength in serviceable planes up to 2,320, excluding reserves.

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Force Is Not a Subject for Official Public Debate

By Joseph Kraft

WASHINGTON — Assume a more tragic outcome for the hijacking of the Kuwaiti plane to Tehran. Suppose the terrorists had killed the last batch of passengers, blown up the plane and then been allowed to escape by the Iranian authorities. In that case, the United States would have wanted to hit back at the Iranian government.

But what options were available?

The Tehran airport could have been wiped out in a bombing raid. The naval base at Bandar Abbas on the Gulf could also have been bombed.

But innocent people would be killed in an airport strike. Bombing the naval base would alienate elements in Iran that America wants to cultivate against the day when the ayatollah dies. The Iranians, in response, might have blown up oil installations in Kuwait and Saudi Arabia — possibly with dire consequences for the regimes in both countries.

Even if the "capture" of the terrorists was a charade organized by the Iranians to save face, even if they bear indirect responsibility for several murders, the events in Tehran demonstrate the superiority of diplomatic methods in dealing with terrorists. Working with Kuwait, Pakistan, Syria, Switzerland and other countries, Washington was able to prevail on Tehran to end the affair with relatively little loss of life.

Not only were there no good options for retaliation, but a prior public commitment to retaliate would have made matters even worse. For in that case doing nothing would have become a confession of weakness.

So the doctrine of retaliation advocated by Secretary of State George Shultz not only looks bad in the abstract. It also fails to pass the test of Tehran. Even if the United States does want to reserve the right to retaliate, it makes no sense to talk it in advance.

But if Mr. Shultz is in the wrong, does that make right the counter-argument of Defense Secretary Caspar Weinberger? In a speech on Nov. 28 he said that America should not apply force for token political purposes. Among other things, he felt that troops should not be used unless the engagement was clearly in America's vital interest, designed to achieve a military victory and assured of public and congressional support.

As implicit guidelines, those stipulations express simple common sense. America is a superpower with global responsibilities. Frittering away military and congressional support.

What is wrong with this scenario? First of all, there is something oddly familiar about it. In 1972, Palestinian terrorists took control of a Sabena jet — all without a single casualty.

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Trade
h Russia

James H. Naylor

Europe

By Henry A. Kissinger

U.S. Needs Realistic Goals for Arms Talks

THE eagerness with which the Soviets have resumed arms control talks marks a complete reversal of a position they have held adamantly for the better part of two years. They have abandoned what they had presented as the immutable precondition: that U.S. missiles first be withdrawn from Europe.

Whether this represents a change of tactics or of strategy, or whether the present Pobitro is capable of a fluid diplomacy, is out of Western control. What is in control of the West is to avoid raising excessive expectations about negotiations that have not yet even started.

Western overeagerness could tempt the Soviets to stall to elicit unilateral concessions. Or else it could produce an agreement that because it avoids all fundamental issues will be only an interlude in the East-West conflict.

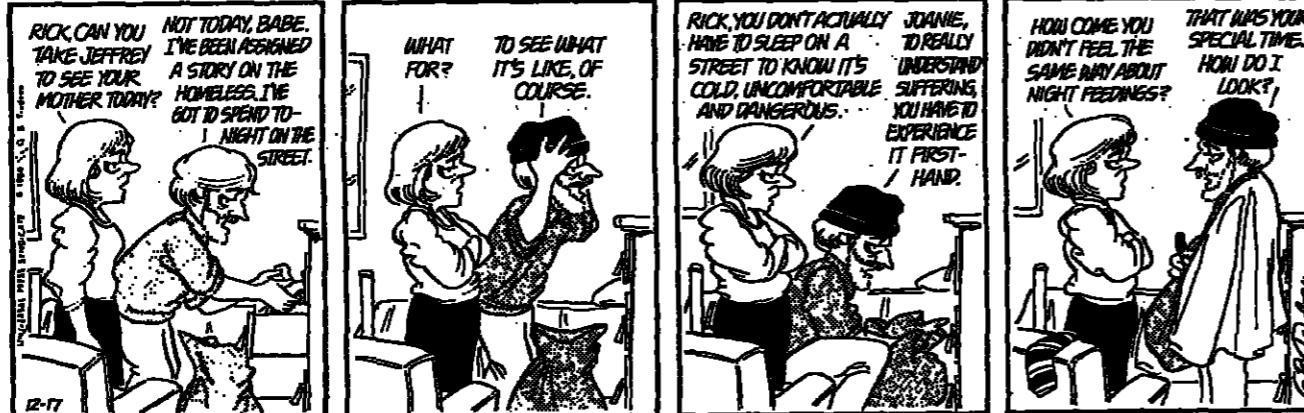
A great deal depends therefore on the ability of the United States to define criteria by which to measure progress. This will be far from simple. For over a decade the phrase détente polarized U.S. domestic debate. The Reagan administration has so far muted this controversy by a skillful balancing act which combined the rhetoric of the opponents of détente with many of the policies of its advocates. But now that negotiations are starting in earnest it will no longer be able to avoid the issues by deaf verbalism.

The beginning of wisdom is to admit — however painful this may be in the light of previous pronouncements — that the administration is now involved in an essentially irrevocable process indistinguishable in substance from what used to be called détente. As its fourth year in office began the administration obviously concluded that the American people and its allies would not support confrontation except as a last resort. Having eloquently committed itself, the administration's credibility and allied support depend on making clear that any failure of negotiations is not its fault.

U.S. relations with the Soviet Union have been characterized by oscillations between extremes of intransigence and extremes of conciliation, an oscillation to which the present administration is far from immune. Historically, Americans have either sought to solve tensions in one conclusive negotiation or to defeat a recalcitrant opponent in battle. In either case there was a clear-cut terminal point. Americans have had little experience in working out a modus vivendi, especially on arms, with a nation that continues to proclaim its ideological hostility and to challenge U.S. interests globally.

UNFORTUNATELY the paradox that the apocalyptic nature of nuclear war imposes precisely this necessity became apparent during the traumatic period when Vietnam and Watergate converged to divide America. Attacking détente proved a convenient, and relatively safe, way to avoid facing the central tragedy that it was America's divisions much more than its adversary's cunning that sapped its credibility and weakened its international position. Between 1965 and 1972 Congress cut \$40 billion from administration requests for defense (in 1970 dollars) before any arms control agreement was ever concluded.

DOONESBURY



LETTERS TO THE EDITOR

(Continued from Page 4)

who are abused and neglected, and without recourse to such a protective system of alternative custody.

Abusive parents are often possessive of their rights over their children, regardless of the treatment they subject them to. Such children are often reduced to being the parents' exclusive property, to be treated as the parents please regardless of the outcome — which can be a fatal one.

While I am prepared to believe that the Swedish system has problems, it is a fact that Sweden's protective policies in health, education and welfare have resulted in the lowest child mortality and mortality rate in the world. Erring on the side of child protection, and support of parents with such necessary services as day care, are preferable to treating children as the sole responsibility of parents and giving them and their families no services.

Recent national scandals in the United States involving sexual abuse of children in day-care centers with underpaid and substandard personnel make government-supervised services seem sensible even if they are more costly. For does not every society have a stake in child welfare?

MARION HUNT.

Paris.

The Upshot in Grenada

In response to the editorial "A Look Back at Grenada" (Dec. 11):

The New York Times offers a rather dubious "happy ending" Washington-style to the tragic farce of Grenada. As usual, Uncle Sam is portrayed in the end as a kindly dispenser of "democracy" regardless of the actual events that led to the dispensation.

Justification for the invasion on the grounds of U.S. security simply holds no water. No conceivable arrangement of dominoes could possibly lead to a plausible scenario wherein the world's most powerful nation is brought to its knees in a chain reaction initiated by an island of 110,000 people. The idea of a threat to Grenada's neighbors is equally unjustified. Dominicans under the repressive rule of Washington supported by Prime Minister Eugenia Charles, for example, have more to fear from their own regime than from any configuration of New Jewel leaders.

Put simply, Grenadians had a forced choice under Maurice Bishop

op. Rebuffed by Washington, he had to retreat into the octopus embrace of the Soviet bloc, a fact referred to only fleetingly in the editorial. The invasion had been planned many months in advance, beginning with naval exercises preceding an invasion. Washington made the Grenadian people's decision for them a long time ago.

Meanwhile, the sad fact remains that Grenadians now accept America's "benevolent stewardship" — not democracy — in the same way that starving children accept handfuls of coins tossed at them. And thus a new nation has joined Washington's Third World allies: the best group of friends money can buy. What happens, however, when the money runs out?

KEVIN SHELTON.
Nantes, France.

Schools Would Suffer

In his otherwise excellent opinion column in praise of the U.S. Treasury Department's proposed tax reform ("Reagan's Sensible Proposal," Dec. 7), Joseph A. Pechman claimed that the proposed 2-percent floor for charitable deductions would have little effect on donations to "church, the Red Cross or the Girl Scouts," while the lifting of the 50-percent ceiling "would encourage wealthy taxpayers to give more to their alma maters, local operas" and so forth.

My problem, as an alumni donation solicitor, is that my high school alma mater is a 24-year-old institution of excellent quality but no endowment; alumni are few, and "wealthy taxpayers" among them

are fewer. As most of my classmates graduate from college this year and go to jobs of \$15,000 a year perhaps, it will be hard to convince them to donate \$300.

IAN WATSON.
Paris.

Terrorister Than Ever

You report concern to increase the security of U.S. embassies around the world ("State Department Gears Up to Combat Terrorist Act," Dec. 5). Additional funds might also be spent to renovate the speech of embassy spokesmen.

The general feeling in the Foreign Service is that the work is getting "dangerous and dangerous," a spokesman for the U.S. Embassy in Mexico City says. Read, more and more dangerous — the correct comparative form for a three-syllable word.

EVAN PROCTOR.
Rabat, Morocco.

Have they stopped teaching English to Foreign Service officers?

LAURIE ALEXANDER.
Almeria, Spain.

England Isn't Britain

Foreigners, and indeed many English people, persistently talk of England when they mean Britain. Now your report ("Gibraltarians Grateful for Pact" [Dec. 11]) makes the opposite mistake of confounding Britain with England.

Gibraltar was not seized by a British and Dutch fleet in 1704 — it was seized by an English and Dutch fleet. No Scottish warships were involved. And there was to be

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questions it will surely be stymied by the more fundamental issue that each day bears down on it more heavily: contemporary weapons technology has made traditional arms control theory obsolescent. Developed in the late 1950s and early 1960s, this theory assumed stationary missiles and relatively inaccurate single warheads. Since it would take more than one attacking missile to destroy an offensive one, it was plausible to believe that if one could negotiate essential equality of strategic forces the incentive for surprise attack would have been removed.

Modern technology has overtaken this simple equation. Today launchers can carry ten or more highly accurate warheads; some missiles are becoming mobile. Equality in numbers of launchers has become less and less relevant to strategic stability. Even reductions can prove meaningless or dangerous if they do not ameliorate the disproportion between warheads and launchers.

The appointment of the experienced and sophisticated Paul H. Nitze as special adviser to the Secretary of State is an important step, especially in the negotiating field. But nobody can solve the conceptual issues, act as chief negotiator and achieve a bipartisan consensus at the same time. I cannot think of a more suitable occasion for a bipartisan commission to define the basic options for President Ronald Reagan and his senior advisers, thereby making it unnecessary for the president to referee abstract technical decisions.

Whatever the organizational device, the internal debate in the administration must be shifted from controversy about the importance of arms control to an analysis of which specific armaments would in fact reduce the danger of nuclear war. Otherwise the United States will be driven by negotiating tactics or impose on itself the absurdity of accepting reductions in strategic forces that it refuses to put forward as bargaining chips in negotiation — in the name of reducing the budget deficit.

THREE HERE has been even less of a systematic effort to come to grips with the complicated relationship of offensive and defensive forces. In fact the so-called star wars issue threatens to turn into one of those symbolic tests of will with which America drains its national purpose. Critics have jumped gleefully on extravaganz presidential claims implying the possibility of a perfect civilian defense.

In fact the possibility of protecting retaliatory forces and lessening the danger of attack from third nuclear countries cannot simply be shrugged off with emotional proclamations. To base deterrence irresistibly on the mutual threat to exterminate civilians would be a fateful decision. When mass slaughter becomes a mathematical equation, the sirens of the advocates of pacifism and unilateral disarmament will sound increasingly attractive in the democracies.

The administration can approach the problem of defense in three alternative ways: 1) Impose a moratorium on testing of all defensive weapons at the beginning of the negotiations; 2) Use defensive weapons as leverage to obtain a massive cut in offensive forces that reduces the danger of nuclear war; 3) Explore an agreement containing a balance between offensive and defensive forces that would substantially reduce the threat of nuclear war.



Henry A. Kissinger

It is not necessary to decide between the last two options at this stage. Indeed, it cannot be done in the absence of systematic, careful, unemotional studies. But a moratorium at the beginning of the negotiating process — or a slow-down imposed by Congress — would be bitterly wrong. The Soviet Union has left little doubt that their principal objective in resuming the dialogue is to stop U.S. efforts to develop a ballistic missile defense. According to the media, important elements of the U.S. government favor a moratorium with the argument that testing can always be resumed if negotiations fail.

But previous negotiating experience should remind us of the vacuity of such arguments. No moratorium in the arms field has ever been ended by the United States, because negotiations never fail unambiguously, and because no president is eager to tempt the political storms such a step would cause. A moratorium would complicate the ability to obtain congressional appropriations. It would foreclose the option of using defensive weapons either for leverage or as part of an agreement. It would almost surely slow down the pace of negotiations because the United States would have handed the Soviets their ultimate goal as a unilateral gesture.

Before the United States goes very far in negotiations, a close process of consultation with its allies must begin. But past experience suggests that they will be nearly as uneasy about a separate bilateral U.S.-Soviet deal as they were previously about being drawn by us into an unwanted confrontation.

Perhaps Soviet rigidity will defeat the best efforts of the United States and its allies. But it is not often that an opportunity occurs to change East-West relations fundamentally. In the past the West has too often settled for the essentially psychological relief inherent in an easing of tensions. Our challenge now is to translate the yearning for peace into concrete terms that improve not only the tone but also the substance of international relations.

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Reagan May Decide Stance for Arms Talks Just Before Meeting

By Bernard Gwertzman

New York Times Service

FRANKFURT — U.S. officials have said that President Ronald Reagan would have to decide how forthcoming the United States should be in discussing space weapons with the Soviet Union next month.

Secretary of State George P. Shultz, who returned to Washington Saturday night, stopped here earlier Saturday for lunch with the West German chancellor, Helmut Kohl.

In Brussels on Friday, Mr. Shultz said: "Just how the discussions and negotiations about space-related matters will be handled is one of the things that we are discussing in detail with the president."

Other officials said that Mr. Reagan might not make the decision until just before Mr. Shultz meets with Foreign Minister Andrei A. Gromyko in Geneva on Jan. 7-8.

President Reagan seems committed to going ahead with the space defense effort, and the Pentagon is apparently opposed to any moves that might halt this development program. The Pentagon has also said that it does not believe there can be a verifiable ban on antisatellite weapons.

Dalai Lama Rules Out Visit to Tibet Next Year

Reuters

NEW DELHI — The Dalai Lama, Tibet's spiritual leader exiled since 1959, ruled out Sunday the possibility of visiting his homeland next year, saying that Beijing was insisting that if he went to China he stay in the capital.

"I would still like to make a short visit to Tibet but such a visit will not be possible in 1985," said in a statement. The statement was the first the Dalai Lama had made since a top-level delegation returned earlier this month from talks in Beijing on a possible visit.

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Genscher Plans Visit To Prague

BONN — Foreign Minister Hans-Dietrich Genscher of West Germany, due to begin an official visit to Czechoslovakia on Tuesday, was expected to visit the West German Embassy in Prague where East Germans seeking exit visas to the West have been encamped since early October.

The three-day visit was announced Saturday by the Foreign Ministry. Government sources said that Mr. Genscher would personally assess the embassy problem while in Prague.

Mr. Genscher's talks with Czechoslovak leaders were not expected to touch on the situation at the mission, where about 40 East Germans began a hunger strike on Friday, diplomatic sources said.

The talks were expected to include East-West relations, cross-border pollution and transport, and human rights issues.

The government sources said the visit was not announced until Saturday in an effort to avoid the kind of complications that led to the cancellation of previous visits between West Germany and its Eastern bloc neighbors.

Last month, Mr. Genscher canceled a trip to Poland at the last minute, saying that Warsaw had laid down unacceptable conditions.

In September, the leaders of East Germany and Bulgaria abruptly called off visits to West Germany.

More than 140 East Germans seeking asylum moved into the Prague mission in early October, but Western diplomats said many have since returned home. The number remaining has been estimated at 70.

Czechoslovakia has indicated that it viewed the embassy situation as a matter between East Germany and West Germany.

East Germany has insisted that would-be emigrants return home and apply for exit visas through normal channels, promising not to punish them.

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Portugal, a mixture of eight centuries of history and the simplicity of day to day living.

Among people who carry the voices of the ocean in their voices and a warm welcome in their hearts. Among people who follow the birds' flight and, if known, to fly even higher...

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Portugal, a mixture of eight centuries of history and the simplicity of day to day living.

They scatter across the land, the colours of the sun, the beauty of the lakes and coasts, and the magic of the lagoons of the South...

Each year they come by the millions. Filling their eyes with the endless green of the North and breathing the sweet scented air of the South.

And each year, like these migrant birds, come visitors, bodies craving the sun, souls seeking a quiet retreat.

They too regain their strength. And learn to dream. Here, amongst sweet scents and green dews.

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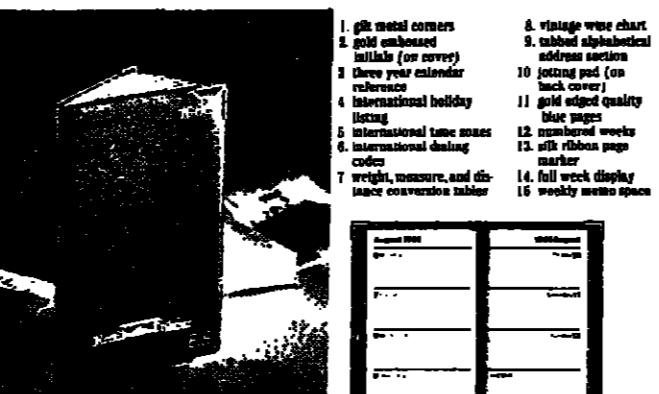
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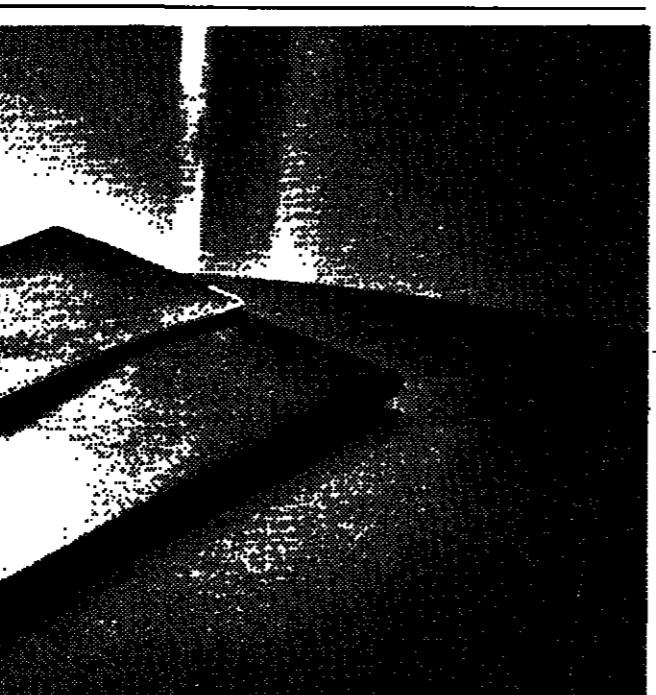
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Book Says Chou Saved Several From Red Guards

The Associated Press

BEIJING — A new collection of writings by the former Chinese prime minister, Chou En-lai, reveals a previously secret list of well-known figures he protected from Red Guard radicals at the start of the 1966-76 Cultural Revolution.

Those he vouched for included Soong Ch'ing-ling, widow of China's first president, Sun Yat-sen; a former warlord; two generals who fought against the Communists; and a former president of the Chinese Academy of Sciences.

Chou ordered police to guard their homes and told a hospital to receive some of them for their own protection, the book says.

Volume 2 of the "Selected Works of Chou En-lai," which went on sale Saturday, was prominently announced in major newspapers. Volume 1 was released in 1981, five years after Chou died at age 78.

Chou has been credited with containing excesses of the Cultural Revolution, when the party chairman, Mao Tse-tung, and followers known as the "Gang of Four" plunged China into near-anarchy.

Thousands of intellectuals, professionals and political moderates were persecuted, jailed, assaulted and killed.

A Communist from the age of 24, Chou was Mao's longtime associate and prime minister for a quarter of a century. Although considered a stabilizing force during the Mao years, he publicly backed Mao and set up China's public security network.

Little has been disclosed about Chou's specific actions during the Cultural Revolution, though Chinese have said he worked behind



Chou En-lai

the scenes to subvert gangs of youthful Red Guards who were urged by Mao to topple the establishment.

In a chapter titled "Notes and Telegrams on the Protection of Cadres," the book reprints some of Chou's writings meant to counter Mao's wife Jiang Qing, leader of the Gang of Four, and Lin Piao, a former defense minister and Mao's one-time lieutenant who later was accused of trying to kill him.

The chapter contains a list Chou made of 12 important people to be exempted from harassment. Among them were Soong Ch'ing-ling, then a deputy prime minister, and Guo Moruo, vice chairman of the National People's Congress and president of the science academy. Mrs. Soong died in 1981. Mr. Guo died in 1978.

Others listed included Fu Zuoyi, a warlord who successfully negotiated with the Communists to spare Beijing from destruction during the civil war.

Jiang Guangnai and Cai Tingkai, former Nationalist generals who defected to the Communist side, also were on Chou's list.

China Financed Plot, Vietnam Dissident Says

Reuters

HO CHI MINH CITY — The alleged leader of a group of 21 dissidents on trial here has said in court that China helped arm and finance a plot to overthrow the Vietnamese government.

The prosecution has charged the 21 defendants with taking part in a plot to topple the government with the support of China, Thailand and the United States. Prosecutors said the plot included a plan to launch widespread terrorist operations in the country in 1985 in an attempt to embarrass and destabilize the government.

A prosecutor said the plot "would have been tremendously damaging to the revolution."

The 21 defendants are among more than 100 rebels reported to have infiltrated Vietnam since 1981. The defendants, in testimony Sunday, said most of the rebels were recruited from among Vietnamese refugees living in Thailand.

On Saturday, an alleged leader of the plot, Mai Van Hanh, testified that the group received arms and money from China and that

training for the operation took place in Thailand. He said he had made several trips to Beijing to discuss the plot with Chinese officials.

The prosecution has said the aims of the group, called the United Front of Patriotic Forces for the Liberation of Vietnam, included kidnapping or killing French and Russian diplomats and technicians to disrupt Hanoi's relations with those countries.

The trial, which began Dec. 7, is being held in the building that was once the National Assembly of the U.S.-backed Saigon administration before the reunification of North and South Vietnam in 1975.

The 21 defendants are all charged with treason and espionage.

Waltz, or Disco, Soviet Dancers Are Out of Step

Reuters

MOSCOW — A Moscow newspaper hit out Sunday at young Russians for not being able to dance properly, either ballroom dancing or disco.

The trade union newspaper Trud said Russians had forgotten the waltz and foxtrot, and were useless at disco-dancing.

Couples were embarrassed when they had to dance a traditional bridal waltz at weddings. When the music changed to upbeat modern hits, the dancing was scarcely better, it said.

The newspaper recommended that professional troupes of dancers give displays at the beginning of each disco night at local recreation clubs.

Conservatives Upset Ruling Party in Belize Election

By David Pitt

New York Times Service

BELIZE CITY, Belize — The conservative opposition in this Central American democracy has scored a sweeping election victory over the center-left government of Prime Minister George Price.

Mr. Price, the dominant political figure in Belize for more than 20 years, will be succeeded by Senator Manuel Esquivel, 44, a physics teacher who left his job nine months ago to lead the opposition.

Foreign diplomats, many of whom had predicted a close election, expressed surprise at the magnitude of the prime minister's loss. Final results in Friday's balloting for the 28-seat lower house of the National Assembly showed the opposition United Democratic Party with 21 seats and Mr. Price's People's United Party with 7.

But one voter, Luke Davis, said, "I wasn't surprised. People got tired of Mr. Price. We needed a change."

The elections were the first national referendum in Belize since Mr. Price led it to independence from Britain in 1981.

The issue of economic freedom played a major role in the campaign, with the United Democratic Party calling for more foreign investment and less government control of the economy, which it argued had stifled individual initiative.

So extensive was the repudiation of the government that Mr. Price lost his own Belize City seat, the first time he has been defeated in an election in his 30-year political career. The victor was Derek Aikman, a 25-year-old city councilman who was the youngest candidate on the ballot. The vote was 876 to 570.

Under Belize's parliamentary system, patterned after Britain's, the governor general will ask Mr. Esquivel to form a new government. He said Saturday that he

would be ready to assemble his cabinet by Monday. He added that Mr. Price had telephoned him Saturday morning with congratulations.

Mr. Price's downfall appeared to be rooted not in Belize City, a long-time opposition stronghold, but in the outlying districts of this nation of 150,000 people.

The prime minister, a tireless campaigner, is said to have learned the names of most families during routine visits in the countryside. But for reasons that seemed more to do with weariness of his government than specific grievances, his longtime supporters forsook him in droves.

The issue of future relations with the United States loomed large during the campaign. Of special interest has been the possibility that Washington will play a role in settling a festering territorial dispute between Belize and neighboring Guatemala. The Guatemalans have claimed Belize as their own territory since the mid-19th century.

Britain has kept 1,800 troops in Belize to guard the borders against a possible invasion by the Guatemalan Army. In 1981, Britain pledged to stay for an "appropriate period," and a British source here said that the Thatcher government had originally set a target date for withdrawal of December 1982. It has been repeatedly put off, in large part because of uncertainties about the political situation in Guatemala.

The British have made no secret of their interest in leaving, but the opposition has long been adamant that they stay indefinitely and has suggested that Mr. Price has not been doing enough to ensure this.

The British military presence contributes nearly 15 percent of this sugar-producing country's gross national product of around \$300 million a year. Some commentators here suggested that Mr. Esquivel

has kept the polls in Belize City after voting that swept him to power as prime minister of the Central American nation.

New Orleans. He later acquired an education certificate in physics at Bristol University in England, where he met his wife, Katherine. They have three children.

Mr. Esquivel, like Mr. Price, is a Roman Catholic, and taught at the Jesuit-run St. John's Junior College in Belize City until he quit nine months ago to devote himself full time to the party.

In 1973, he helped found the United Democratic Party and was party chairman from 1976 to 1982. He also served two terms on the Belize City Council. He was named to the Senate, an appointive body, in 1979.

Manuel Esquivel and his wife, Katherine, left the polls in Belize City after voting in Belize elections that swept him to power as prime minister of the Central American nation.

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Because the Salvadoran government has not accounted for the death of Lieutenant Colonel Monterroso, three other field commanders and 10 others in the crash, "this command will take control of the affair," the statement read.

Ultra-rightist paramilitary death squads are deemed responsible for many of the 50,000 killings during the country's five-year-old civil war.

forces command had agreed to suspend offensive actions during the holidays. Colonel Blandon answered only: "That is a military question."

His comments reflected army resistance to a cease-fire. Many officers contend that a truce simply gives the guerrillas breathing space and puts the rebel forces on equal standing with government troops.

With this attitude becoming more evident, it is not clear how much farther the Duarte government can go to secure any future longer-lasting cease-fires.

On Tuesday, guerrillas of the Farabundo Martí National Liberation Front offered a unilateral truce. The rebels offered to limit their fighting to self-defense during two three-day periods over Christmas and New Year's.

"New Death Squad" A new rightist "death squad" surfaced Saturday in El Salvador, vowing to avenge the death of a leading military commander and to "demolish all Communist elements" in the U.S.-backed government.

in accepting the truce, government officials called the proposal an important step toward a third round of peace talks between government and rebel representatives.

The military had remained silent until Saturday.

[President Duarte said at a separate ceremony in San Salvador on Saturday that, although he still remained the guerrillas' true call as positive, he would order the armed forces to guarantee security throughout the country over the holiday period, Reuters reported.]

Because the Salvadoran government has not accounted for the death of Lieutenant Colonel Monterroso, three other field commanders and 10 others in the crash, "this command will take control of the affair," the statement read.

Ultra-rightist paramilitary death squads are deemed responsible for many of the 50,000 killings during the country's five-year-old civil war.

"I do not consider myself in exile," Mr. Chamorro said. "I have not made a final decision, but it is likely I will return after Christmas."

Mr. Chamorro said his family had been living in San José for

Salvador Army May Not Honor Rebel Cease-Fire

By Dan Williams

New York Times Service

LA PALMA, El Salvador — The armed forces of El Salvador say "as usual" during the Christmas and New Year's holidays, according to the chief of staff, Colonel Adolfo Blandon.

His statement on Saturday threw into question the military's willingness to reciprocate on two brief holiday truce periods unilaterally offered by leftist guerrillas.

Earlier last week, civilian officials of President José Nicanor Duarte's government accepted the cease-fire. They said government forces would suspend offensive operations against the rebels during the two 72-hour holiday periods.

But Colonel Blandon, in an interview Saturday in this northern mountain town, declined to confirm that arrangement.

"The armed forces will function as usual," he said. "First, we have the constitutional duty to provide security for our country. Our operations follow plans made six months in advance and it is important for us to follow them."

He was asked whether the armed

forces command had agreed to suspend offensive actions during the holidays. Colonel Blandon answered only: "That is a military question."

His comments reflected army resistance to a cease-fire.

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INTERNATIONAL
Herald Tribune

BUSINESS/FINANCE

MONDAY, DECEMBER 17, 1984

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EUROBONDS

Yields Rise Due to Pricing Of \$1-Billion Debt Issue

By CARL GEWIRTZ
International Herald Tribune

PARIS — Despite recurrent hopes that dollar interest rates will decline further, yields on Eurodollar bonds moved up last week. This was the result of the pricing on the \$1-billion package of debt sold by Prudential Realty Securities, which is guaranteed by AAA-rated Prudential Insurance of America.

The financing, designed to restructure Prudential's portfolio of residential mortgages, comprises seven- and 10-year straight bonds and a 15-year issue of zero-coupon bonds.

The complexity of structuring the package and the likely long delay in getting approval by the Securities and Exchange Commission to offer the debt in the United States meant that the paper, which had to be sold immediately, had to be offered in the Eurobond market. And because the market had largely closed down for the year-end holidays, Prudential had to offer terms that would compel attention.

Thus, its \$386.05 million of seven-year notes were offered at par bearing a coupon of 11½ percent. The generosity of this pricing can be measured against the 11½-percent coupon that Kellogg offered earlier this month on its seven-year deal. The only complaint heard about the Prudential note was that the sinking fund starts operating in the first year.

This means that investors who are attracted by the high yield cannot be sure how long they will actually be able to hold onto the paper because there is no way to know which bonds will be drawn. This is bad news for investors if interest rates decline and paper bearing a coupon of 11½ percent is sought after, because the operation of the sinking fund will keep the price of the notes from rising to the full potential. On the other hand, it is good news if rates rise, because the sinking fund will help to support the price of the notes in the secondary market.

In fact, there have been virtually no Eurodollar bonds sold this year with sinking funds. The rationale driving the market has been that interest rates will continue to ease and that fixed-coupon paper will generate hefty capital gains as bond prices rise to bring yields into line with the lower level of rates.

As a result, most borrowers this year have preferred to rely on early redemption — giving them the right to call an entire issue at premiums that decline with the age of the issue. Usually, however, holders are assured of at least five years free of any call.

THE Prudential notes, for the lucky holders whose paper is not redeemed by the sinking fund, are not callable until 1991 and then at a premium price of 102.

However unattractive the sinking fund may be to potential investors, the dissatisfaction did not affect the marketing of the paper. Lead manager Salomon Brothers expressed satisfaction about the demand and quoted a price of 98½ bid, 98½ offered.

The companion \$545.69 million of 10-year bonds, offered at par with a coupon of 12½ percent was also viewed as generously priced. Late last month, for example, Sweden offered a coupon of 11½ percent on bonds maturing in 1994.

Prudential's 10-year bonds offered investors greater protection than the seven-year notes since the sinking fund does not begin to operate until 1993. The entire amount is callable starting in 1993 at a premium price of 102.

The 15-year zero-coupon bond is for a nominal amount of \$365.22 million, but only \$76 million is actually being taken by Prudential because the paper was offered at a steep discount of 20.85 percent of face value. Paying \$208.50 for paper that will be redeemed for \$1,000 means an investor will earn the equivalent of 11.85 percent interest a year.

The entire package, like virtually all the issues launched last week, is payable next year — Jan. 15 for the Prudential issue.

It was not possible to ascertain whether the terms on the Prudential paper stirred investors out of their year-end reverie or whether it only appealed to intermediaries who were confident of being able to find final takers after the holidays. But the pricing clearly distorted the secondary market where the prices of lower yielding U.S. corporate issues tumbled.

At present, it is not clear whether the Prudential terms have set a new level at which the Eurobond market will function, or whether the terms will come to be viewed as a generous aberration because of the large size and awkward timing.

The Federal Reserve may provide the answer if, as many

(Continued on Page 9, Col. 1)

Caution By OPEC Expected

Little Change Seen on Prices

By Bob Hagerty
International Herald Tribune

LONDON — The Organization of Petroleum Exporting Countries, scheduled to meet Tuesday in Geneva for its year-end summit on oil prices, will likely make minor price adjustments but leave its official structure far out of line with market reality, industry officials say.

Indeed, many analysts say, they remain deeply skeptical about the cartel's ability to prop prices any longer in the face of declining demand, quota cheating by individual OPEC members and new refining technology that permits increasing use of heavier crudes.

"You don't want to be betting on prices going up," a senior supply executive at a major U.S. oil company said Friday. "You'd go out of business that way."

OPEC's increasing ineffectiveness is reflected in the failure of its Oct. 31 production accord to dry up the oil glut and firm prices.

Announcing that accord, Sheikh Ahmed Zaki Yamani, the Saudi oil minister, predicted that prices on the spot, or noncontract, market would rise to official OPEC levels by the end of November. Instead,

prices on the spot market, which accounts for around two-fifths of world oil trade, have continued to drop.

Traders on the spot market last week quoted a price of about \$27.50 a barrel for Arab light, the OPEC benchmark, compared with \$28 at the end of October and OPEC's official price of \$29.

OPEC's inability to control prices is largely the result of lower-than-expected demand. Mild weather has held back purchases of heating oil, and oil companies have refused to let Sheikh Yamani's warnings panic them into building up inventories. At the same time, the U.S. economy has begun to slow.

In addition, OPEC has not reduced output as much as it said it

(Continued on Page 9, Col. 5)

Chemical Firms Fall Under Scrutiny

Bhopal Tragedy Raises Concern For an Industry

By Agis Salpukas
New York Times Service

NEW YORK — For about a week after a cloud of toxic gas killed at least 2,000 people in India, the public spotlight focused on three places: Bhopal, the site of the tragedy; Institute, West Virginia, where a similar plant was operating; and Danbury, Connecticut, the headquarters of Union Carbide Corp., owner of both plants.

That spotlight remains strong, and its glare intense. But now its scope includes the entire chemical industry.

From Monsanto Co. in St. Louis, Missouri, to Dow Chemical Co. in Michigan, from Du Pont & Co. and Hercules Inc. in Delaware, to American Cyanamid Co. in New Jersey, corporate executives are fielding the same question from reporters, regulators, environmentalists, community activists, and many of their own employees.

Could what happened at Bhopal happen at one of their plants, here or abroad?

Reassuring public comments abound. But a "there-but-for-fortune-go-I" mentality is pervading the industry, as executives recognize that Union Carbide's safety practices are neither better nor worse than their own.

Paul F. Orefice, president and chief executive of Dow, said, "We can't judge yet what happened in India and we can't say that nothing will ever happen here."

H. Michael Utijian, medical director for American Cyanamid and a former Union Carbide employee, said, "I don't take any great comfort that I now work for American Cyanamid and not Union Carbide."

Some chemical companies — DuPont for example — are waiting for a full report from Union Carbide on exactly what happened at Bhopal before they take any internal action.

But others already are evaluating their plant safety procedures, their community-evacuation plans, their emergency-response



The Associated Press

Since the Bhopal accident, this Union Carbide plant in West Virginia has stopped making the same pesticide.

systems — indeed, the entire way they make and use chemicals.

R. A. Smith, director of corporate safety and services at Dow, said, "It would be remiss if we didn't check one more time to make sure there wasn't something that we missed."

In some ways, trying to guarantee safety, particularly at overseas plants, is a bit like shooting in the dark.

There is woefully little data about the health dangers that specific chemicals present.

Strict regulations in many countries where the American chemical industry operates can keep out modern equipment and automated systems.

And no one knows how to eliminate simple human error.

"You can design the best system, but when you deal with people you can create a problem," said Geraldine Cox, vice president and technical director of the Chemical Manufacturers Association.

Bhopal could lead to an onslaught of new, costly safety regulations, similar to those that have been levied on the nuclear industry.

That prospect worries chemical industry executives, and many large companies are setting up new mechanisms for formal self-scrutiny. For example:

• Allied Corp. is reviewing all the chemicals it uses to get a better idea of the number of toxic substances involved, and of the adequacy of safety devices and controls.

• American Cyanamid suspended the use of methyl isocyanate, the gas that was released in Bhopal, at its pesticide plant in

BAT Set to Pay \$793 Million for Second Insurer

By Bob Hagerty
International Herald Tribune

LONDON — BAT Industries PLC plans to buy another major British insurer, further reducing its reliance on cigarette sales.

For 1983, tobacco accounted for 64 percent of operating profit, retailing 19 percent and paper 12 percent. For 1985, Mr. Sheehy estimated, the insurance companies will kick in 5-7 percent of operating profit.

Eagle Star and Hambro Life have a combined share of 6-7 percent of the British life insurance market, Mr. Sheehy said. He described it as "minimal" the danger that the British government would insist on reviewing the Hambro acquisition for competitive reasons.

The planned purchase comes 11 months after BAT, fighting off Allianz Versicherungen AG of West Germany, acquired another insurance company, Eagle Star Holdings PLC, for \$245 million.

The move into insurance is in line with BAT's aim of building up a financial-services division as a fourth leg to its business.

"I think it's a very good deal for BAT," Peter Martin, an insurance analyst at Capel-Cure Myers, said Sunday. He suggested that Hambro Life "might have got a bit more" than \$50 per share, which compares with 498 pence when trading in the shares was suspended Thursday on the London Stock Exchange.

Roger Harvey of W. Green & Co. called the price "reasonable" but noted that the acquisition would leave BAT's financial-services division heavily concentrated in one market, Britain, and one product range, life insurance and pension plans.

BAT's chairman, Patrick Sheehy, said in an interview that the company eventually would look for financial-service acquisitions in North America and West Germany and said Eagle Star was being encouraged to expand its international business.

Mr. Sheehy would not say which sorts of financial-service businesses BAT might seek.

"We're not confining our search," he said.

BAT has been trying to reduce its dependence on cigarettes for

years, but tobacco profits have proved surprisingly buoyant, boosted in sterling terms by the pound's dive against the dollar and the Deutsche mark.

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Last April, Charterhouse J. Rothschild PLC, an investment management and banking company, bought 24.9 percent of Hambro Life for £125 million and said it intended to acquire the rest through a share swap. But that plan fell through, largely because the shares of both companies plunged on the stock market.

By selling its Hambro Life shares to BAT, Charterhouse will show a profit of around £40 million.

Guardian Royal Exchange Assurance PLC also has agreed to sell its 10.2 percent stake in Hambro to BAT.

Hambro Life has grown explosively since it was formed in 1971 by Mark Weinberg with £1 million of capital provided by Hambros Bank.

Through its 3,000 salesmen, Hambro Life specializes in selling pension plans and life insurance linked to investments in unit trusts, which are similar to U.S.-style mutual funds.

Mr. Weinberg, who has agreed to join BAT's board and stay with Hambro Life for at least five years.

Hambro Life is experimenting with sales of its products at two department stores owned by House of Fraser PLC.

In contrast to Hambro Life, Eagle Star offers a more traditional line of life insurance and pension plans, as well as other types of insurance, mostly through brokers rather than a direct sales force.

Judge Eases Restrictions On U.S. Telephone Firms

By Reginald Stuart
New York Times Service

aged and financed subsidiaries. They will be subject to monitoring and investment in them must not exceed 10 percent of a regional holding company's revenues.

The waivers involved 13 requests, the first of many the companies are expected to file as they try to establish what new lines of business they can undertake.

Judge Harold H. Greene of the U.S. District Court for the District of Columbia gave the permission Friday by modifying his 1982 order for the breakup of the Bell system.

Domestically, companies would be able to engage in enterprises such as computer sales, telephone-equipment leasing and office-products sales. Overseas, they could offer data processing, consulting, engineering and construction services, among others.

Granting of the waivers represented a marked departure from the restraints embodied in the divestiture orders, which limited newly independent companies to local telephone service.

Judge Greene said that in authorizing the waivers, he was insisting on safeguards to make sure local telephone customers would not be forced to subsidize other lines of business and to protect the public from anti-competitive practices, such as attempting to tie sales of office equipment to purchases of telephone services.

The new businesses must be conducted through separately man-

This announcement appears as a matter of record only. The Notes have not been registered for offer or sale in the United States. Offers and sales of the Notes in the United States or to United States nationals or residents might constitute a violation of United States law if made prior to the ninetieth day after determination that the distribution has been completed.

U.S. \$250,000,000

Mellon Bank

Floating Rate Subordinated Capital Notes due November 1996

Goldman Sachs International Corp.

Credit Suisse First Boston Limited

Merrill Lynch Capital Markets

Bayerische Landesbank Girozentrale

Commerzbank Aktiengesellschaft

Dai-Ichi Kangyo International Limited

Lehman Brothers International

Shearson Lehman/American Express Inc.

LTCB International Limited

Samuel Montagu & Co. Limited

Salomon Brothers International Limited

Swiss Bank Corporation International Limited

Algemene Bank Nederland N.V.

Bayerische Vereinsbank Aktiengesellschaft

Crédit Commercial de France

Fuji International Finance Limited

Lloyds Bank International Limited

Mitsui Finance International Limited

Morgan Stanley International

Société Générale de Banque S.A.

November 1984

Currency Rates

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates of 4 P.M.

London Sun., Dec. 14, 1984

London Sun., Dec. 14, 1984

London Sun., Dec. 14, 1984

New Eurobond Issues

Issuer	Amount (millions)	Mat.	Coup. %	Yield at offer	Price end week	Terms
FLOATING RATE NOTES						
Credit for Exports	\$155	1992	1%	100	—	100
Crédit Lyonnais	\$250	2000	1%	100	—	99.75
Forretningsbanken	\$30	1997	1%	100	—	—
Crédit Foncier	£100	2000	1%	100	—	99.72
Banco di Roma	ECU 125	1992	1/16	100	—	99.75
Banco di Sicilia	ECU 50	1990	1%	100	—	—
FIXED-COUPON						
Prudential Re却y Securities	\$386.1	1992	11%	100	11%	98.00
Prudential Re却y Securities	\$545.7	1995	12%	100	12%	98
Prudential Re却y Securities	\$365.2	1999	zero	20.85	11.85	19.20
Shikoku Electric Power	\$50	1990	11/4	100	11/4	Noncallable. Payable Jan. 30.
Commodore Finance	DM 100	1992	7/8	100	7/8	99.75 First callable at 101 in 1990. Payable Jan. 2.
European Investment Bank	DM 300	1994	7/4	100	7/4	99.60 First callable at 101 in 1991.
European Coal & Steel Community	DM 100	1992	7	99%	7.09	99.25 First callable at 101 in 1989. Sinking fund to start in 1989 to produce a 6.5% average life.
European Coal & Steel Community	ECU 25	1995	10	100	10	99.63 Sinking fund to start in 1991 to produce a 6.5% average life. Payable Jan. 9.
European Investment Bank	ECU 130	1994	10%	100	10%	99.88 Noncallable. Payable Jan. 9. Increased from 100 million ecus.
Peugeot Finance Int'l	ECU 50	1990	10%	100	10%	99.50 Noncallable. Payable Jan. 23.
Denmark	Y 20,000	1992	6%	100	6%	97.88 Noncallable. Payable Jan. 9.
United Technologies	Y 25,000	1991	6%	100	6%	97.75 Noncallable. Payable Jan. 9.
World Bank	Y 20,000	1994	6%	99%	6.70	96.75 Noncallable.
Crédit Foncier	Fr 200	1995	7/4	100	7/4	—
Bank of New South Wales	Aus 40	1990	12%	100	12%	97.25 Noncallable. Payable Jan. 31.
Exporfinans	NK 250	1992	10%	100%	10.20	— First callable at 100% in 1990. Payable Jan. 15. Increased from 200 million NK.
WARRANTS						
PK Banken	0.05	1990	—	\$11	—	— Each warrant is exercisable at par into a \$1,000 note of bank's noncallable 11% of 1992.
EQUITY-LINKED						
Komori Printing Machinery	\$30	1990	8	100	8	98.00 Noncallable. Each \$1,000 bond with one warrant exercisable into 101 company's shares at 2,456 yen each, a 2.7% premium. Exchange rate set at 248.15 yen per mark. Payable Jan. 9.
Toyo Menka Keisha	\$50	1999	3/4	100	3/4	93.00 Separately. First callable at 103 in 1989. Convertible at 238 yen, a 7.9% premium. Exchange rate set at 248.15 yen per mark.
Mitsubishi Metal	DM 100	1989	3/4	100	3/4	— Noncallable. Each 4,000-mark bond with one warrant exercisable into 464 company's shares of 295 yen each, a 2.6% premium. Exchange rate set at 80.63 yen per mark.
Nippon Shinpan	DM 200	1990	open	100	—	— Coupon indicated at 3%. Noncallable. Each 5,000-mark bond with one warrant exercisable into an equal amount of company's shares at an anticipated 25% premium. Payable Jan. 8. Terms to be set Dec. 17.
Renown	DM 80	1990	3/4	100	3/4	— Callable at 101 in 1989. Convertible at 65 yen a share. Exchange rate set at 80.77 yen per mark. Payable Jan. 5.

Eurobond Yields Move Up After Debt Issue

(Continued from Page 7)
 analysts expect, it soon lowers its discount rate from the 8½ percent set Nov. 21. A new cut would reduce long-term rates and the bond market would then search for a new, lower level.

Meanwhile, the floating-rate note market continued active with Credit for Exports, whose loans are guaranteed by the U.K. export credit agency, seeking \$155 million; Crédit Lyonnais \$250 million (mostly in the Asia dollar market with Nomura Securities acting as lead manager); Forretningsbanken \$30 million in what amounts to a private placement, and Crédit Foncier £100 million (\$119.5 million).

The most talked about floating-rate note was Banco di Roma's 125 million European Currency Units (\$89.9 million), of which 75 million ECU are being offered initially and the remainder to be tapped into the market over the next 12 months. The terms on its seven-year issue, payable Feb. 6, were widely regarded as too cheap. Interest starts at 1/16-point over the six-month interbank rate for the first three years and then rises to 4-point over for the final four years.

The margins were deemed too low and the front-end fees totaling 24 basis points, too stingy.

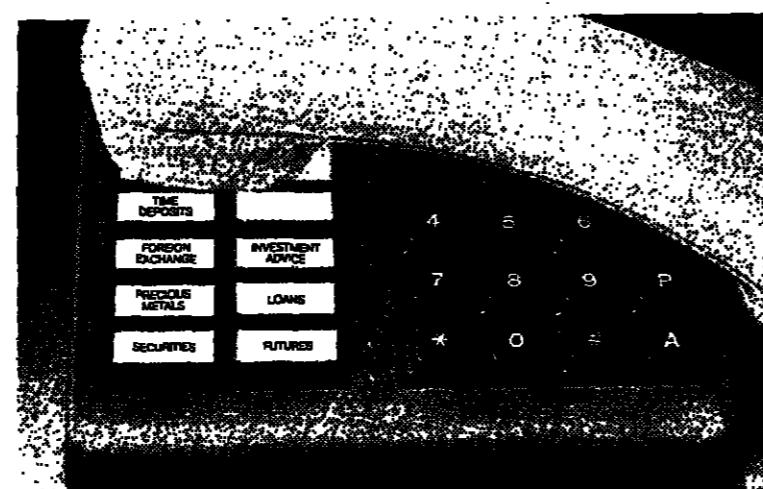
The fixed-coupon ECU market remained active with dealers reporting constant demand. The latest to tap the market is Peugeot, the

French automaker whose incipient financial recovery is now being compared to the revival of Chrysler in the United States. Nevertheless, Peugeot's 50 million ECU of noncallable five-year notes bears a coupon of 10½ percent, a touch more than the European Coal and Steel

Community or the European Investment Bank are paying for 10-year funds.

The Coal and Steel issue is a small, 25 million ECU and bears a coupon of 10 percent, while the ECU offered 130 million ECU with a coupon of 10½ percent.

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Net Asset Value
on Dec. 6, 1984

Pacific Selection Fund N.V.
U.S.\$1.28 per U.S.\$1 unit.

Pacific Selection Fund N.V.

Gold Options (prices in \$/oz.)

Price	Feb.	May	Aug.	
300	11.25	12.75	—	
320	13.50	8.00	15.00	14.50
340	13.8	5.00	16.25	11.75
360	12.5	3.00	14.25	10.25
380	12.5	2.00	14.00	9.25
400	12.5	1.00	13.75	8.75
420	—	—	12.50	7.50

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Banks Raise Cost to Sweden on Latest Note Issue

By Carl Gewirtz
International Herald Tribune

PARIS — Sweden last week drew again on its \$4-billion hybrid note-loan facility, asking banks to bid for \$300 million of three-month notes and \$104 million (\$119 million) of six-month advances.

The notes drew successful bids from six banks, which offered to take the paper at prices ranging from 9 to 17 basis points below the London interbank bid rate, or Libid. The weighted average price was 11.31 points below Libid. (A basis point is one hundredth of a percentage point.)

By contrast, Sweden's first \$200-million drawing on the note facility earlier this month elicited winning bids ranging from 13.56 to 35 basis points below Libid with the weighted average cost to Sweden at 14.83 points below Libid.

Bankers say that the narrowing between the high-low range of accepted bids, from almost 22 basis points to 8, reflects the greater experience of banks in actually placing such paper. "Banks were probably too aggressive the first time," observed one participant. "I'd expect an even narrower range next time as banks work out where the market really is."

The 3.52-point increase in real cost to Sweden, to 11.31 from 14.83 points below Libid, is not regarded as especially significant — but rather as a reflection of market liquidity and investor appetite at the time of the bidding.

Just how big the potential market is, however, remains an uncertainty. While the U.S. market for commercial paper has \$237 billion of short-term paper outstanding, its European equivalent is just getting under way and may not be at that deep. Bankers report having a difficult time selling the concept to European corporate treasurers, many of whom complain about not having the "back office" facilities to handle such IOUs or the authority from their boards of directors to switch from depositing their spare cash at banks to investing it in notes.

The main attraction of the notes to treasurers is twofold — the yield is comparable or better than they can get on time deposits from banks, and treasurers can diversify their liquid holdings away from the banking market.

The latter point, however, may be less compelling to those than the bankers think. For, however vulnerable banks may be because of their bulging portfolios of bad or doubtful loans, the U.S. bailout of Continental Illinois earlier this year demonstrated that even uninsured foreign depositors can be sure of getting their money back.

Thus, many experts are questioning whether there is an investor market for the roughly \$15 billion worth of Euronotes facilities currently outstanding. There is no measure for how much of these facilities have actually been drawn or how much can be shifted to the New York commercial paper market, an option that is included in most facilities.

But the point critics make is that the potential market is not infinite, in the way the interbank market is, and that the ability of borrowers such as Sweden to continue issuing paper at such low cost may be quite limited.

In the sterling operation, Sweden had to seek funds directly from the banks because the Bank of England, like most other European central banks, does not sanction the public sale of promissory notes.

But instead of seeking a direct loan — where all lenders would be equal providers at an agreed upon fixed cost — Sweden requested six-month "advances" from banks.

This leaves banks the option to submit proposals or not and at terms that each deems appropriate — in effect bidding against each other. Sweden is free to accept or reject the proposals.

The banks will earn an annual fee of 10 basis points and one-time front-end fees of an equal amount.

The only major new financing launched last week was a \$350-million operation for News International, the U.K. subsidiary of Rupert Murdoch's News Corp.

News Corp. has the option to request short-term advances from banks or, if the terms are not acceptable, to draw on a backup line of credit.

Banks earn an annual fee of 20 basis points for supplying the backup and will earn 30 basis points over the London interbank offered rate, or Libor, for any drawings for the first five years and 40 points over Libor thereafter.

And in the United States, several major refiners have slashed the price that they are willing to pay for oil at the wellhead. On Friday, Ashland Oil, the nation's largest independent refiner, lowered its buying price for light domestic crude by as much as \$1.10 a barrel.

Many industry executives say that only a sustained period of icy weather this winter would remove the downward pressure on oil prices. Even then, they say, the supply for OPEC would be short-lived.

"If we get three feet of snow on the ground," the market probably would rally in the short term, said a British executive at a major oil company. "Short of that, the market seems amazingly relaxed."

Interest rates will likely rise over the year, with the prime rate climbing to 12.75 percent by the end of the year from 11.25 percent now, it said.

The level of unemployment is likely to remain little changed, it said.

However, the board predicted that growth of the U.S. economy would be weak and uneven in 1985 because of a high level of imports which, it said, will seriously damage some industries.

Interest rates will likely rise over the year, with the prime rate climbing to 12.75 percent by the end of the year from 11.25 percent now, it said.

The rate on three-month Treasury bills rose about 1/10 of a percentage point to 8.15 percent, down from 8.27 percent a day earlier.

Interest Rates Drop a Bit on Fed's Silence

By Michael Quine
New York Times Service

NEW YORK — While traders and economists debated whether the Federal Reserve was easing monetary policy, interest rates fluctuated in a wider-than-normal range Friday before ending the day with modest declines.

Speculation about the Fed's willingness to foster lower rates centered on the likelihood of a cut in

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Over-the-Counter

	Sales In 100s	High	Low	Last	Chg.	Net		Sales In 100s	High	Low	Last	Chg.	Net		Sales In 100s	High	Low	Last	Chg.	Net			
	100s	High	Low	Last	Chg.			100s	High	Low	Last	Chg.			100s	High	Low	Last	Chg.	Net			
A Mfg	212.4	34	24	31	+ 1			B C	224.2	221	220	221	- 1			C H	111.0	10	7	7	- 1		
ABC Corp	27.2	27	26	27	- 1			Baldew	28.5	36	35	35	- 1			Bancorp	10.0	10	9	9	- 1		
ABS h	156.2	28	18	28	- 1			Ballew	15.0	15	15	15	- 1			BanCorp	10.0	10	9	9	- 1		
AEC's	24.2	28	18	28	- 1			Bammons	9.5	10	9	9	- 1			BanCorp	10.0	10	9	9	- 1		
AMCB	12.0	12	12	12	- 1			Banks	1.5	1.5	1.5	1.5	- 1			BanCorp	10.0	10	9	9	- 1		
ATEC	170.0	41	40	41	- 1			Banks	1.0	42	22	22	- 1			BanCorp	10.0	10	9	9	- 1		
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SPORTS

Broncos Rout Seahawks, 31-14

The Associated Press
SEATTLE—John Elway passed for one touchdown and ran for another Saturday as the Denver Broncos captured the AFC West title with a 31-14 National Football League rout of the Seattle Seahawks.

Elway had a one-yard touch-down run in the first quarter and a

either Cincinnati or Pittsburgh in Denver in two weeks.

Seattle, 12-4 after losing its final two regular-season games, is in the playoffs as an AFC wild-card team.

49ers 19, Rams 16

In San Francisco Friday night, Joe Montana completed eight straight passes, two of them for touchdowns, in an early hot streak that carried San Francisco to a 19-16 victory over the Los Angeles Rams.

The victory made the 49ers the first team in National Football League history to win 15 regular-season games.

The 49ers, who ended their 15-1 season with a nine-game winning streak, had little offensive success after the first period, in which they built a 14-3 lead.

But the San Francisco defense held Eric Dickerson, the Rams' record-breaking running back, to only 98 yards. Dickerson, who finished the season with a record of 2,105 yards, sat out most of the last quarter.

Los Angeles (10-6) could have clinched a National Conference wild-card playoff berth by winning. Now they have to await the outcome of other weekend games to see whether they qualify.

Montana's touchdown passes made this season a career-high 28.

Saints 10, Giants 3

In East Rutherford, New Jersey, Dave Wilson tossed a touchdown

pass. Morten Andersen kicked a field goal and the Saints' defense sacked Phil Simms seven times Saturday as New Orleans defeated the New York Giants, 10-3.

The defeat of the Giants assured Washington of at least a wild-card playoff berth, and the Redskins could capture the National Football Conference East title by defeating the St. Louis Cardinals to a 19-16 victory over the Los Angeles Rams.

The only way the Giants (9-7) can gain a wild-card berth now is if Washington defeats St. Louis on Sunday and Miami downs Dallas on Monday.

Wilson, who became the Saints' starting quarterback last week, tossed a 2-yard touchdown pass to fullback Hokie Gajan on the team's first possession to cap a 13-play, 72-yard drive. Andersen added a 37-yard field goal with 13:55 left in the game.

■ **Eagles to Stay**

The NFL Eagles are to remain in Philadelphia, The Associated Press reported Sunday. Outlining the terms of an agreement to keep the team from moving to Phoenix, Mayor W. Wilson Goode said the city has agreed to increase the number of high-priced box seats at Veterans Stadium and has approved deferred rents from the Eagles, additional security at games and a new practice field for the team. The Eagles have agreed to a 10-year lease extension that will run to the year 2011.



Eric Dickerson: Finishing with an NFL-record 2,105 yards.

Hatcher and Sandoval Retain Their WBA Crowns

Compiled by Our Staff From Dispatches

FORT WORTH, Texas—Gene Hatcher retained his World Boxing Association junior welterweight championship here Saturday night with a 15-round split-decision victory over Ubaldo Sacco of Argentina.

Meanwhile, in Miami Beach, Richie Sandoval stopped Cardenio Ulloa in the eighth round in defense of his WBA bantamweight title.

In the junior welterweight bout, Sacco was ahead on one judge's card, 145-141; Hatcher, a native of Fort Worth, won the other two, 142-141 and 144-140. Sacco had built up an early lead, but Hatcher wore him down with a relentless attack.

"I knew I pulled it out, but I know it wasn't unanimous," Hatcher said. "I would have been unhappy if it had been unanimous."

Sacco's left jab piled up points through the first three rounds, and in the fourth it opened up a cut over

Hatcher's left eye. But in the fifth Hatcher started to catch up, landing two solid rights midway through the round.

The champion continued to land with his right, but in the eighth a straight left sent Sacco into the ropes. The Argentine rallied in the next two rounds, cutting Hatcher below the right eye in the ninth.

Hatcher, with a straight-ahead, slugging style, floored Sacco with a right hook in the 11th for a standing eight count. Hatcher continued on the attack, and by the 13th round the Sacco's left jaw was badly swollen. Sacco backpedaled the remainder of the fight.

In Miami Beach, Sandoval overcame a slow start during which he suffered a first-round cut under his left eye and a third-round knockdown. In the fourth he began a comeback that finally ended when he caught Ulloa with a flurry of unanswered punches in the eighth. Referee Ernesto Magana of Mexico stopped the bout at 2:31 of the round, ending Ulloa's hopes of be-

coming the first Chilean to win a world boxing title.

"When he hit me I went down, but he couldn't finish me off," Sandoval said. "As the fight went on, I was dominating. He's a good fighter, but maybe he needs a little more experience."

Ulloa said he doesn't want any more experience for the time being. "I put all my hopes in the fight," he said. "At this time, I'm very demoralized."

Both fighters opened cautiously, but near the end of the first round, Ulloa caught Sandoval with a right that opened the cut under the champion's eye.

In the second, Sandoval floored the challenger with a solid right. But Ulloa had his best round in the third, when he decked Sandoval with a short left.

The champion dominated the next four rounds to improve his record to 25-0. The victory was his second title defense since he took the crown with a 15-round knockout of Jeff Chandler in August. The loss was the first in 31 fights for Ulloa.

■ **Chang Keeps WBC Title**
Chang Chung-ku of South Korea

kept his World Boxing Council light flyweight championship with a unanimous 12-round decision over Tadashi Kuramochi of Japan, United Press International reported Saturday from Seoul.

It was Chang's fifth successful defense since taking the crown from Hirario Zapata of Panama in March 1983. Chang is 26-1 lifetime; it was Kuramochi's second defeat against 12 victories.

Sweden Bolts to 2-0 Advantage

The Associated Press

GOTEBORG — Henrik Sundstrom outwitted John McEnroe in three straight but tough sets Sunday, giving Sweden a 2-0 lead over the United States after the first two singles matches of the Davis Cup tennis final.

Sundstrom outfought the world's top-ranked player, 13-11, 6-4, 6-3, in their first meeting ever. It was

59 minutes into the match. Wilder, match-point after defending his Australian Open title a week ago, broke three times in the first set, Connors won only one point and was broken to love twice.

The American first two sets came when Sundstrom fell behind, 15-40, and trailed 7-8. McEnroe netted a return and Sundstrom then got back to serve after a long rally. Behind 10-11, Sundstrom got into trouble again but rallied from 15-40 to finally hold his service.

Wilder was leading 4-3, in the third set with Connors serving and leading, 30-15. Penalized a point earlier for verbal abuse, Connors had not played competitively for five weeks, broke Wilder's serve in the opening game, but after a penalty for audible obscenity, Wilder then served for and won his 13th straight Davis Cup singles victory.



Mats Wilander, a straight-sets victor over Jimmy Connors.

Gretzky Scores 5 as Oilers Romp, 8-2

Compiled by Our Staff From Dispatches

ST. LOUIS — It figured that the Edmonton Oilers and Wayne Gretzky were ready to break loose. After all, the team had lost two in a

NHL FOCUS

row, and its normally lethal scoring machine had only two points in two games.

But in a Saturday-night massacre, Gretzky had a five-goal game for the second time in his career and added an assist to lead the Oilers past St. Louis, 8-2.

Elsewhere in the National Hockey League, it was Boston 2, Vancouver 1; the New York Islanders 6, Philadelphia 2; Hartford 4, Montreal 3; New Jersey 8, Quebec 3; Pittsburgh 5, Toronto 2; Chi-

go 5, Minnesota 3; Washington 4, the New York Rangers 2, and Los Angeles 6, Calgary 5.

On Friday, Winnipeg beat Toronto, 6-4, and Detroit tied Buffalo, 4-4.

In his sixth NHL season, Gretzky is only two points away from a lifetime total of 1,000. Only 17 players in league history have accumulated as many. Gretzky, who will be 24 in January, will do much faster than any other player, he has 99 in 42 games. Marcel Dionne, whose record is about to fall, needed 740 games to do it.

"Just one of those nights" was the way Gretzky dismissed his dazzling binge. "We were down—we'd lost two in a row. We were embarrassed for our coach. We had

a short meeting. The way we played we would have been tough for anybody."

Gretzky warmed up with a goal in the first period, then tallied three times and added an assist in 15 minutes of the second period. He finished up with a goal at 5:40 of the final period.

Gretzky's outstanding move of the night was in the second period, when he did a complete spin before firing a bullet past goaltender Rick Wamsley.

In 29 games this season, Gretzky has accumulated 85 points, 32 goals and 53 assists. All three are league-highs.

Saturday's big hat trick was the best of his career, one fewer than the NHL record shared by Phil Esposito and Mike Bossy. (AP, LA7)

Selected U.S. College Scores

FRIDAY'S RESULTS

MIDWEST

Crofton 71, Regis 51

Wisconsin 70, Dortmund 59

St. John's 22, Toledo 20

Kent State 72, Colorado 65

SATURDAY'S RESULTS

EAST

Boston Col. 55, Holy Cross 53

Conn 55, St. Francis 50

Connecticut 55, Rhode Island 43

C.W. Post 55, Wayne St. 59

Fairleigh Dickinson 55, New Hampton 55

Harvard 55, Manhattan 51

Massachusetts 55, Northeastern 46

NYU 55, Boston 54

Princeton 55, New Haven 52

Rutgers 55, St. John's 52

St. John's 55, Boston 54

Tulane 55, Loyola 51

Yale 55, Cornell 51

SOUTH

Alabama 55, Tennessee 57

Bowling Green 55, Marshall 55

Georgia Tech 55, Florida 55

Illinois 55, Indiana 55

Kentucky 55, Louisville 55

Louisville 55, Tennessee 55

Mississippi 55, Mississippi State 55

North Carolina 55, Wake Forest 55

Ole Miss 55, Mississippi 55

Pittsburgh 55, Virginia 55

South Carolina 55, Clemson 55

Tennessee 55, Georgia 55

West Virginia 55, Virginia Tech 55

Wichita State 55, Kansas 55

Wichita State 55, Missouri 55

Wichita State 55, Oklahoma 55

Wichita State 55, Texas 55

Wichita State 55, Texas A&M 55

Wichita State 55, Texas Tech 55

Wichita State 55, Tulane 55

Wichita State 55, University of Texas 55

LANGUAGE

Send Me Your Biodata

By William Safire
WASHINGTON — First, there was the *curriculum vitae*, from the Latin for "course of life"; this is still the preferred name in academia for a quick rundown of a life story on one page (references on request). That is frequently shortened to *vita*, as in "Send me your vita," from school administrators who like to receive lives. Professors like the Latin touch; that's why they speak for honoraria, not fees.

Then there came the *résumé*, the French language's contribution to American business.

Now, from Tom Reid of The Washington Post, this news: "I was covering a story today and ran into a fellow who gave me his résumé. Only he didn't call it a résumé, or a curriculum vita, or just a *vita*. He called it a *biodata summary*. I laughed when I saw this, but the more I think about it, the more like it *biodata summary* has a nice high-tech ring to it."

I am a low-tech man and like a thumb nail sketch.

A NOTE from a presidential aide was brief and pointed — "Your friends are worried" — but the note paper caught my attention. Instead of the simple blue-on-white "The White House, Washington," there was a yellow stick-on paper with the printed heading "If This Gets Into the Hands of the Russians, It's curtains for the Free World."

For nearly two decades, the phrase has been in intellectual disfavor, but if fate it has begun to be reassured with pride and perhaps defiance.

Free World, capitalized, filled the vacuum created by the need for an antonym for *Communist World*. It was born in the labor movement. A gathering of trade unions from Western nations that styled itself the Free World Labor Congress met from June to November 1949 in Geneva and London. The phrase first appeared in public print in the Dec. 12, 1949, Time magazine: "In London's County Hall last week, 261 delegates from 53 countries, representing some 48 million members, met to launch a new international non-Communist labor organization. Provisional title: the Free World Labor Congress."

That name, however, was not

chosen; instead, the group, still both free and worldly, calls itself the International Confederation of Free Trade Unions. The reason for the switch, according to Murray Seeger of the AFL-CIO, is this: "The name had to include both the words *free* and *union*, to differentiate them from the Communist-dominated organization calling itself the World Federation of Trade Unions, which still operates today from Prague." Thus, the Western labor leaders substituted *International for the Communists' Federation and Confederation* and stuck *Free* in front of *Trade Union* to cast aspersions on the unfree "unions."

Time subsequently used the rejected phrase without capitalization: "In the free world," it wrote in 1951, "there was jubilation." The Eisenhower administration liked it: It wrote a memo to John Foster Dulles in 1955 about "actions best calculated to sustain the interests of ourselves and the free world."

The Russians, naturally, didn't like it. Their propagandists had already captured the words *people's democratic and peace-loving*, by re-titling with the capture of *free*.

The Western industrial nations implied that the Communist world was not free. Nikita S. Khrushchev reacted with a sneering modifier in 1959: "The so-called free world constitutes the kingdom of the dolor."

The phrase underwent a decline in the 1970s, as its use was recognized as "loaded" in favor of the West, although the Communists felt no such compunctions about arraying their *peace-loving people* against the *ruling circles* of their adversaries.

In the 1980s, *free world* — usually not capitalized — took on a new life. Midge Decter and a bipartisan group of neoconservatives organized into an unabashed Committee for the Free World in 1981. Asserts Decter: "We used the term *the free world in naming our committee* four years ago. It's not a free world because that implies hope for achieving freedom in the future; it's *the free world* because it's here now. As a term, it denotes something rare and precious, something that involves privileges that are unfortunately not available to vast numbers of humanity."

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Worldwide Express Boxes Co., London
023 126.67.7. Weekends: 474.47.43

ALPHAS - TRANSIT: Tel. 265.99.72. Sea and/or
moving - Baggage to: Alpha - Transit
21/25 35.11 Telas: 2429 SEBO CH

MOVING: Tel. 265.99.72. Sea and/or
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CONTINEX COST RUSTERS In 300
cities worldwide - Air/Sea/Car/Char-
ter 281.18.81 Paris - Cars too

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CONTINEX COST RUSTERS In 300
cities worldwide - Air/Sea/Car/Char-
ter 281